UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2013

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 0-12255

YRC Worldwide Inc.

(Exact name of registrant as specified in its charter)

Delaware	**48-0948788**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
10990 Roe Avenue, Overland Park, Kansas	**66211**
(Address of principal executive offices)	**(Zip Code)**

(913) 696-6100
(Registrant's telephone number, including area code)

None
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	o	Accelerated filer	☒
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 7, 2013
Common Stock, $0.01 par value per share	10,937,029 shares

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED BALANCE SHEETS
YRC Worldwide Inc. and Subsidiaries
(Amounts in millions except share and per share data)

	September 30, 2013	December 31, 2012
	(Unaudited)	
Assets		
Current Assets:		
Cash and cash equivalents	$ 170.5	$ 208.7
Restricted amounts held in escrow	90.1	20.0
Accounts receivable, net	519.0	460.1
Prepaid expenses and other	79.6	85.3
Total current assets	859.2	774.1
Property and Equipment:		
Cost	2,854.5	2,869.0
Less – accumulated depreciation	(1,733.6)	(1,677.6)
Net property and equipment	1,120.9	1,191.4
Intangibles, net	84.9	99.2
Restricted amounts held in escrow	12.5	102.5
Other assets	56.4	58.3
Total Assets	$ 2,133.9	$ 2,225.5
Liabilities and Shareholders’ Deficit		
Current Liabilities:		
Accounts payable	$ 194.3	$ 162.0
Wages, vacations and employees’ benefits	224.1	190.9
Other current and accrued liabilities	199.7	233.2
Current maturities of long-term debt	392.7	9.1
Total current liabilities	1,010.8	595.2
Other Liabilities:		
Long-term debt, less current portion	968.3	1,366.3
Pension and postretirement	503.4	548.8
Claims and other liabilities	317.2	344.3
Commitments and contingencies		
Shareholders’ Deficit:		
Preferred stock, $1 par value per share	—	—
Common stock, $0.01 par value per share	0.1	0.1
Capital surplus	1,964.0	1,926.5
Accumulated deficit	(2,154.6)	(2,070.6)
Accumulated other comprehensive loss	(382.6)	(392.4)
Treasury stock, at cost (410 shares)	(92.7)	(92.7)
Total shareholders’ deficit	(665.8)	(629.1)
Total Liabilities and Shareholders’ Deficit	$ 2,133.9	$ 2,225.5

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
YRC Worldwide Inc. and Subsidiaries
For the Three and Nine Months Ended September 30
(Amounts in millions except per share data, shares in thousands)
(Unaudited)

	Three Months		Nine Months	
	2013	2012	2013	2012
Operating Revenue	$ 1,252.7	$ 1,236.8	$ 3,657.7	$ 3,681.9
Operating Expenses:				
Salaries, wages and employees' benefits	711.8	701.0	2,110.3	2,129.8
Operating expenses and supplies	284.4	275.4	838.0	854.4
Purchased transportation	139.0	126.8	379.6	372.7
Depreciation and amortization	43.3	44.6	130.4	139.4
Other operating expenses	67.1	64.0	171.3	192.0
(Gains) losses on property disposals, net	1.3	(2.3)	(1.9)	(0.5)
Total operating expenses	1,246.9	1,209.5	3,627.7	3,687.8
Operating Income (Loss)	5.8	27.3	30.0	(5.9)
Nonoperating Expenses:				
Interest expense	43.1	33.7	124.2	111.6
Other, net	(0.2)	(0.2)	(3.0)	(3.2)
Nonoperating expenses, net	42.9	33.5	121.2	108.4
Loss before income taxes	(37.1)	(6.2)	(91.2)	(114.3)
Income tax provision (benefit)	7.3	(9.2)	(7.2)	(13.1)
Net income (loss)	(44.4)	3.0	(84.0)	(101.2)
Less: net income attributable to non-controlling interest	—	—	—	3.9
Net Income (Loss) Attributable to YRC Worldwide Inc.	(44.4)	3.0	(84.0)	(105.1)
Other comprehensive income, net of tax	4.6	3.7	9.8	9.9
Comprehensive Income (Loss) Attributable to YRC Worldwide Inc. Shareholders	$ (39.8)	$ 6.7	$ (74.2)	$ (95.2)
Average Common Shares Outstanding – Basic	9,977	7,512	9,053	7,149
Average Common Shares Outstanding – Diluted	9,977	14,162	9,053	7,149
Net Income (Loss) Per Share – Basic	$ (4.45)	$ 0.40	$ (9.29)	$ (14.16)
Net Loss Per Share – Diluted	$ (4.45)	$ (4.30)	$ (9.29)	$ (14.16)

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED CASH FLOWS
YRC Worldwide Inc. and Subsidiaries
For the Nine Months Ended September 30
(Amounts in millions)
(Unaudited)

	2013	2012
Operating Activities:		
Net loss	$ (84.0)	$ (101.2)
Noncash items included in net loss:		
Depreciation and amortization	130.4	139.4
Paid-in-kind interest on Series A Notes and Series B Notes	24.6	22.1
Amortization of deferred debt costs	5.0	4.1
Equity based compensation expense	4.5	3.0
Deferred income tax benefit	(0.1)	—
Gains on property disposals, net	(1.9)	(0.5)
Other noncash items, net	5.9	(1.6)
Changes in assets and liabilities, net:		
Accounts receivable	(59.5)	(44.3)
Accounts payable	25.4	16.6
Other operating assets	0.9	(9.0)
Other operating liabilities	(54.2)	(76.6)
Net cash used in operating activities	(3.0)	(48.0)
Investing Activities:		
Acquisition of property and equipment	(56.5)	(48.1)
Proceeds from disposal of property and equipment	5.9	39.2
Restricted escrow receipts, net	19.9	23.9
Other, net	1.8	2.4
Net cash (used in) provided by investing activities	(28.9)	17.4
Financing Activities:		
Issuance of long-term debt	0.3	45.0
Repayments of long-term debt	(6.6)	(20.4)
Debt issuance costs	—	(5.1)
Net cash (used in) provided by financing activities	(6.3)	19.5
Net Decrease In Cash and Cash Equivalents	(38.2)	(11.1)
Cash and Cash Equivalents, Beginning of Period	208.7	200.5
Cash and Cash Equivalents, End of Period	$ 170.5	$ 189.4
Supplemental Cash Flow Information:		
Interest paid	$ (90.4)	$ (91.6)
Income tax refund, net	$ 10.8	$ 8.2

The accompanying notes are an integral part of these statements.

STATEMENT OF CONSOLIDATED SHAREHOLDERS' DEFICIT
YRC Worldwide Inc. and Subsidiaries
For the Nine Months Ended September 30, 2013
(Amounts in millions)
(Unaudited)

Common Stock		
Beginning and ending balance	$	0.1
Capital Surplus		
Beginning balance	$	1,926.5
Share-based compensation		2.2
Issuance of equity upon conversion of Series B Notes		35.3
Ending balance	$	1,964.0
Accumulated Deficit		
Beginning balance	$	(2,070.6)
Net loss attributable to YRC Worldwide Inc.		(84.0)
Ending balance	$	(2,154.6)
Accumulated Other Comprehensive Loss		
Beginning balance	$	(392.4)
Reclassification of net pension actuarial losses to net loss, net of tax		11.1
Foreign currency translation adjustments		(1.3)
Ending balance	$	(382.6)
Treasury Stock, At Cost		
Beginning and ending balance	$	(92.7)
Total Shareholders' Deficit	$	(665.8)

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YRC Worldwide Inc. and Subsidiaries
(Unaudited)

Certain of these Notes to Consolidated Financial Statements contain forward-looking statements, as described in "Management's Discussion and Analysis of Financial Condition and Results of Operations - Cautionary Note Regarding Forward-Looking Statements."

1. Description of Business

YRC Worldwide Inc. (also referred to as “YRC Worldwide,” the “Company,” “we,” “us” or “our”), one of the largest transportation service providers in the world, is a holding company that, through wholly owned operating subsidiaries and its interest in a Chinese joint venture, offers its customers a wide range of transportation services. We have one of the largest, most comprehensive less-than-truckload ("LTL") networks in North America with local, regional, national and international capabilities. Through our team of experienced service professionals, we offer expertise in heavyweight shipments and flexible supply chain solutions, ensuring customers can ship industrial, commercial and retail goods with confidence. Our reporting segments include the following:

- YRC Freight is the reporting segment that focuses on longer haul business opportunities in national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This unit includes our LTL subsidiary YRC Inc. and Reimer Express, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.

- Regional Transportation is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. Regional Transportation is comprised of USF Holland Inc. (“Holland”), New Penn Motor Express, Inc. (“New Penn”) and USF Reddaway Inc. (“Reddaway”). These companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

At September 30, 2013, approximately 77% of our labor force is subject to collective bargaining agreements, which predominantly expire in March 2015.

2. Principles of Consolidation

The accompanying Consolidated Financial Statements include the accounts of YRC Worldwide and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Investments in non-majority owned affiliates, or those in which we do not have control where the entity is either not a variable interest entity or we are not the primary beneficiary, are accounted for on the equity method.

We make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes. Actual results could differ from those estimates. We have prepared the Consolidated Financial Statements, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). In our opinion, all normal recurring adjustments necessary for a fair statement of the financial position, results of operations and cash flows for the interim periods included in these financial statements herein have been made. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles ("GAAP") have been condensed or omitted from these statements pursuant to SEC rules and regulations. Accordingly, the accompanying consolidated financial statements should be read in conjunction with the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2012.

Assets Held for Sale

When we plan to dispose of property or equipment by sale, the asset is recorded in the financial statements at the lower of the carrying amount or estimated fair value, less cost to sell, and is reclassified to assets held for sale. Additionally, after such reclassification, there is no further depreciation taken on the asset. For an asset to be classified as held for sale, management must approve and commit to a formal plan, the sale should be anticipated during the ensuing year and the asset must be actively marketed, be available for immediate sale, and meet certain other specified criteria. We use level 3 inputs to determine the fair value of each property considered held for sale.

At September 30, 2013 and December 31, 2012, the net book value of assets held for sale was $10.5 million and $7.3 million, respectively. This amount is included in “Property and Equipment” in the accompanying consolidated balance sheets. We recorded charges of $0.6 million and $3.3 million for the three and nine months ended September 30, 2013, respectively, and $0.6 million and $12.1 million for the three and nine months ended September 30, 2012, respectively, to reduce properties held for sale to estimated fair value, less cost to sell. These charges are included in “(Gains) losses on property disposals, net” in the accompanying statements of consolidated comprehensive loss.

Fair Value of Financial Instruments

The following table summarizes the fair value hierarchy of our financial assets and liabilities carried at fair value on a recurring basis as of September 30, 2013:

		Fair Value Measurement Hierarchy		
(in millions)	**Total Carrying Value**	**Quoted prices in active market (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Restricted amounts held in escrow-current	$ 90.1	$ 90.1	$ —	$ —
Restricted amounts held in escrow-long term	$ 12.5	$ 12.5	$ —	$ —
Total assets at fair value	$ 102.6	$ 102.6	$ —	$ —

Restricted amounts held in escrow are invested in money market accounts and are recorded at fair value based on quoted market prices. The carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates their fair value due to the short-term nature of these instruments.

Reclassifications Out of Accumulated Other Comprehensive Loss

For the three and nine months ended September 30, 2013, we reclassified the amortization of our net pension loss totaling $3.7 million and $11.1 million, respectively, from accumulated other comprehensive loss to net loss. This reclassification is a component of net periodic pension cost and is discussed in the "Employee Benefits" footnote.

3. Liquidity

For a description of our outstanding debt, please refer to the "Debt and Financing" footnote to our consolidated financial statements.

Credit Facility Covenants

On November 12, 2013, YRC Worldwide entered into an amendment to its amended and restated credit agreement (the "Credit Agreement Amendment") and its ABL facility (together the "Amendments"), which, among other things, resets future covenants regarding minimum Consolidated EBITDA, maximum Total Leverage Ratio and minimum Interest Coverage Ratio (as defined in Amendments, if applicable) until December 31, 2014 and resets the minimum cash balance requirement.

The covenants as of September 30, 2013 and the amended covenants for each of the remaining test periods are as follows:

Four Consecutive Fiscal Quarters Ending	Minimum Consolidated EBITDA	Maximum Total Leverage Ratio	Minimum Interest Coverage Ratio
September 30, 2013	$260,000,000	6.0 to 1.00	1.60 to 1.00
December 31, 2013	$245,000,000	5.7 to 1.00	1.50 to 1.00
March 31, 2014	$220,000,000	6.4 to 1.00	1.30 to 1.00
June 30, 2014	$225,000,000	6.5 to 1.00	1.30 to 1.00
September 30, 2014	$245,000,000	6.5 to 1.00	1.40 to 1.00
December 31, 2014	$260,000,000	6.2 to 1.00	1.40 to 1.00

The Credit Agreement Amendment resets the minimum available cash requirement by providing that the minimum cash requirement will be $100.0 million for the period from November 12, 2013 through December 31, 2013, $50.0 million for the period from January 1, 2014 through January 31, 2014 and $100.0 million for the period from February 1, 2014 thereafter at all times; provided that, if Pro Forma Consolidated EBITDA (described below) is greater than or equal to $375.0 million on or prior to February 1, 2014, the minimum available cash requirement will be $50.0 million at all times.

Further, the Credit Agreement Amendments, among other things, (i) includes a new definition of Pro Forma Consolidated EBITDA added for the purposes of the minimum available cash requirement as described above to be calculated by adding to Consolidated EBITDA, subject to certain limitations, the amount of cost savings, operating expense reductions, other operating improvements and initiatives and synergies associated with any restructuring transactions (and implementation thereof) (but not to exceed the actual amount deducted from revenues in determining Consolidated Net Income for any such costs and expenses), in the case of each such restructuring transaction (and implementation thereof), occurring on or after November 12, 2013, and projected by us in good faith to be reasonably anticipated to be realizable within ninety (90) days of the date thereof; (ii) increases the interest rate and commitment fee payable under our credit agreement by 50 basis points; (iii) waives the requirement to continue to cash collateralize letters of credit with existing net cash proceeds received from asset sales up to $12.5 million (including release of such cash proceeds); (iv) requires payment of an amendment fee to each consenting lender of 1.0% of their outstanding exposure; and (v) adds a new “Event of Default” that requires the 6% Convertible Senior Notes to be repaid, refinanced, replaced, restructured or extended on or prior to February 1, 2014 using either cash generated from the sale of qualified equity by the Borrower, certain qualified equity issuances by the Borrower or certain permitted indebtedness.

On November 12, 2013, YRC Receivables, LLC, a wholly-owned subsidiary of the Company, entered into an amendment to the ABL facility, which, among other things, resets the minimum Consolidated EBITDA covenant (as defined in the ABL facility) for each of the remaining test periods in a manner identical to the amendment of minimum Consolidated EBITDA in the Credit Agreement Amendment and increases the interest rate payable under the ABL Facility by 50 basis points. The Company agreed to pay all consenting lenders a fee equal to 1.0% of their outstanding loans and unused commitments.

Consolidated EBITDA, as defined in our Amendments, is a non-GAAP measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and further adjusted for letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including permitted restructuring professional fees, certain one-time cash restructuring charges occurring on or after November 12, 2013 in an aggregate amount not to exceed $40.0 million and results of permitted dispositions and discontinued operations.

Our adjusted EBITDA for the four quarters ended September 30, 2013 was $274.8 million compared to the covenant requirement of $260 million.

Our minimum cash balance as of September 30, 2013 was $181.2 million.

The credit facilities were also amended to obtain relief from any potential going concern language in our independent registered public accounting firm's audit opinion to be delivered in connection with our December 31, 2013 financial statements.

Risks and Uncertainties Regarding Future Liquidity Including Our Ability to Continue as a Going Concern

Our principal sources of liquidity are cash and cash equivalents, available borrowings under our $400 million ABL facility and any prospective net operating cash flows from operations. As of September 30, 2013, we had cash and cash equivalents and availability under the ABL facility totaling $233.7 million with a $388.7 million borrowing base under our ABL facility. For the nine months ended September 30, 2013, our cash flow from operating activities used net cash of $3.0 million.

Our principal uses of cash are to fund our operations, including making contributions to our single-employer pension plans and various multi-employer pension funds, and to meet our other cash obligations including, but not limited to, paying cash interest and principal on our funded debt, payments on our equipment leases, letter of credit fees under our credit facilities and funding capital expenditures.

We have a considerable amount of indebtedness. As of September 30, 2013, we had $1,359.1 million in aggregate par value of outstanding indebtedness, which may increase over time as a portion of our indebtedness accrues paid-in-kind interest. Of that amount, $69.4 million matures on February 15, 2014, $325.5 million matures on September 30, 2014 and $664.7 million matures on March 31, 2015. We also have considerable future funding obligations for our single-employer pension plans and various multi-employer pension funds. We expect our funding obligations for the remainder of 2013 for our single-employer pension plans and multi-employer pension funds will be $13.7 million and $22.5 million, respectively. In addition, we have, and will continue to have, substantial operating lease obligations. As of September 30, 2013, our minimum rental expense under operating leases for the remainder of the year is $13.3 million. As of September 30, 2013, our operating lease obligations through 2025 totaled $165.6 million and is expected to increase as we lease additional revenue equipment.

Our capital expenditures for the nine months ended September 30, 2013 and 2012 were $56.5 million and $48.1 million, respectively. These amounts were principally used to fund replacement engines and trailer refurbishments for our revenue fleet and capitalized costs for our network facilities and technology infrastructure. Additionally, for the nine months ended September 30, 2013, we entered into new operating lease commitments for revenue equipment for $44.9 million, payable over the average lease term of six years. In light of our recent operating results and liquidity needs, we have deferred certain capital expenditures and expect to continue to do so for the foreseeable future, including the remainder of 2013. As a result, the average age of our fleet is increasing, which may affect our maintenance costs and operational efficiency unless we are able to obtain suitable lease financing to meet our replacement equipment needs.

In the third quarter of 2013, driven, in part, by a decline of our service levels due to driver shortages and transition issues related to the network optimization plan implemented in May 2013, our YRC Freight reporting segment experienced decreases in our financial performance compared to our management forecast. As a result, we significantly decreased our expectations regarding our future financial performance and entered into the Amendments described above.

The Amended Credit Agreement requires us to repay, refinance, replace, restructure or extend our 6% Convertible Senior Notes on or prior to February 1, 2014 using either cash generated from the sale of qualified equity by the Borrower, certain qualified equity issuances by the Borrower or certain permitted indebtedness. These actions with regard to the 6% Convertible Senior Notes are outside of our control and, as a result, we cannot provide any assurances that we will be successful in taking these actions. In the event that we are unable to take these actions we will need to refinance or restructure our debt or seek an amendment or waiver from our lenders or otherwise we will be in default under our Amended Credit Agreement, which would enable lenders thereunder to accelerate the repayment of amounts outstanding and exercise remedies with respect to collateral. In the event that our lenders under our Amended Credit Agreement demand payment, we will not have sufficient cash to repay such indebtedness. In addition, a default under our credit facilities or the lenders exercising their remedies thereunder would trigger cross-default provisions in our other indebtedness and certain other operating agreements.

We do not expect our liquidity will allow us to retire our borrowings as they mature in September of 2014 and thereafter and therefore we will be required to refinance or restructure the portions of our debt that matures in September of 2014 and March of 2015. Our recent and forecasted operating results may have an adverse effect on our ability to complete such restructuring or refinancing. The refinancing or restructuring of these debt obligations is outside of our control and there can be no assurance that such transaction will occur, or if it does occur, on what terms.

Our ability to continue as a going concern over the next twelve months is dependent on a number of factors, many of which are outside of our control. In the near term, we must repay, refinance, replace, restructure or extend our 6% Convertible Senior Notes on or prior to February 1, 2014 in order to comply with the terms of our Amended Credit Agreement and thereafter we will need to refinance or restructure our other debt obligations prior to their upcoming maturities in 2014 and 2015. Other factors include:

- achieving forecasted results in order to comply with covenants and other terms of our credit facilities so as to have access to the borrowings available to us under our credit facilities;

- securing suitable lease financing arrangements to replace revenue equipment;

- generating operating cash flows that are sufficient to meet the minimum cash balance requirement under our credit facilities, cash requirements for pension contributions to our single-employer pension plan and our multi-employer pension funds, cash interest and principal payments on our funded debt, payments on our equipment leases, letter of credit fees under our credit facilities and for capital expenditures or additional lease payments for new revenue equipment.

There can be no assurance that management will be successful or that such plans will be achieved.

These conditions raise significant uncertainty about our ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of the foregoing uncertainties.

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4. Debt and Financing

Our outstanding debt as of September 30, 2013 and December 31, 2012 consisted of the following:

As of September 30, 2013 (in millions)	Par Value	Premium/ (Discount)	Book Value	Stated Interest Rate	Effective Interest Rate
Restructured Term Loan	$ 298.7	$ 45.2	$ 343.9	10.0%	—%
Term A Facility (capacity $175.0, borrowing base $168.2, availability $63.2)	105.0	(2.8)	102.2	8.5%	15.8%
Term B Facility (capacity $220.5, borrowing base $220.5, availability $0.0)	220.5	(5.1)	215.4	11.25%	15.0%
Series A Notes	173.5	(20.6)	152.9	10.0%	18.3%
Series B Notes	68.2	(12.1)	56.1	10.0%	25.6%
6% Convertible Senior Notes	69.4	(2.5)	66.9	6.0%	15.5%
A&R CDA	124.3	(0.2)	124.1	3.0-18.0%	7.0%
Lease financing obligations	299.3	—	299.3	10.0-18.2%	11.9%
Other	0.2	—	0.2		
Total debt	$ 1,359.1	$ 1.9	$ 1,361.0		
Current maturities of Term A Facility	(105.0)	2.8	(102.2)		
Current maturities of Term B Facility	(220.5)	$ 5.1	(215.4)		
Current maturities of 6% Notes	(69.4)	2.5	(66.9)		
Current maturities of lease financing obligations	(8.0)	—	(8.0)		
Current maturities of other	(0.2)	—	(0.2)		
Long-term debt	$ 956.0	$ 12.3	$ 968.3		

As of December 31, 2012 (in millions)	Par Value	Premium/ (Discount)	Book Value	Stated Interest Rate	Effective Interest Rate
Restructured Term Loan	$ 298.7	$ 67.6	$ 366.3	10.0%	—%
Term A Facility (capacity $175.0, borrowing base $147.6, availability $42.6)	105.0	(4.8)	100.2	8.5%	15.8%
Term B Facility (capacity $222.2, borrowing base $222.2, availability $0.0)	222.2	(8.5)	213.7	11.25%	15.0%
Series A Notes	161.2	(27.8)	133.4	10.0%	18.3%
Series B Notes	91.5	(25.4)	66.1	10.0%	25.6%
6% Notes	69.4	(6.3)	63.1	6.0%	15.5%
A&R CDA	125.8	(0.4)	125.4	3.0-18.0%	7.1%
Lease financing obligations	306.9	—	306.9	10.0-18.2%	11.9%
Other	0.3	—	0.3		
Total debt	$ 1,381.0	$ (5.6)	$ 1,375.4		
Current maturities of Term B Facility	(2.3)	—	(2.3)		
Current maturities of lease financing obligations	(6.5)	—	(6.5)		
Current maturities of other	(0.3)	—	(0.3)		
Long-term debt	$ 1,371.9	$ (5.6)	$ 1,366.3		

The interest rates for certain borrowings have increased in accordance with our Amendments as of November 12, 2013. Refer to Note 3, Liquidity for details.

Conversions

Our 10% Series A Convertible Senior Secured Notes due 2015 (the "Series A Notes") were convertible into our common stock beginning July 22, 2013 at the conversion price per share of $34.0059 and a conversion rate of 29.4067 common shares per $1,000 of Series A Notes. As of September 30, 2013 and November 7, 2013, there was $173.5 million and $174.8 million, respectively, in aggregate principal amount of Series A Notes outstanding that are convertible into approximately 5.6 million shares of our common stock at the maturity date. There were no Series A Note conversions from September 30, 2013 through November 7, 2013.

Our 10% Series B Convertible Senior Secured Notes due 2015 (the "Series B Notes") are convertible into our common stock, at any time at the conversion price per share of approximately $18.5334 and a conversion rate of 53.9567 common shares per $1,000 of the Series B Notes (such conversion price and conversion rate applying also to the Series B Notes make whole premium). As of September 30, 2013, the effective conversion price and conversion rate for our Series B Notes due 2015 (after taking into account the make whole premium) was $16.0056 and 62.4781 common shares per $1,000 of Series B Notes, respectively.

During the three and nine months ended September 30, 2013, $12.4 million and $29.1 million of aggregate principal amount of Series B Notes were converted into 0.8 million and 1.9 million shares of our common stock, respectively, which includes the make whole premium. Upon conversion, during the three months ended September 30, 2013, we recorded $6.2 million of additional interest expense representing the $2.7 million make whole premium and $3.5 million of accelerated amortization of the discount on converted Series B Notes. During the nine months ended September 30, 2013, we recorded $15.2 million of additional interest expense representing the $6.6 million make whole premium and $8.6 million of accelerated amortization of the discount on converted Series B Notes. As of September 30, 2013, there was $68.2 million in aggregate principal amount of Series B Notes outstanding that are convertible into approximately 4.2 million shares of our common stock (after taking into account the make whole premium). There were no Series B Note conversions from September 30, 2013 through November 7, 2013.

As of September 30, 2013 and November 7, 2013, a maximum of 17,600 shares of our common stock was available for future issuance upon conversion of the Convertible 6% Senior Notes. The limitation on the number of shares of common stock issuable upon conversion of the 6% Notes applies on a pro rata basis to the $69.4 million in aggregate principal amount of outstanding 6% Notes.

Fair Value Measurement

The carrying amounts and estimated fair values of our long-term debt, including current maturities and other financial instruments, are summarized as follows:

	September 30, 2013		**December 31, 2012**	
(in millions)	Carrying amount	Fair Value	Carrying amount	Fair Value
Restructured Term Loan	$ 343.9	$ 297.0	$ 366.3	$ 197.5
ABL Facility	317.6	329.0	313.9	325.8
Series A Notes and Series B Notes	209.0	234.1	199.5	81.5
Lease financing obligations	299.3	299.3	306.9	306.9
Other	191.2	188.9	188.8	99.5
Total debt	$ 1,361.0	$ 1,348.3	$ 1,375.4	$ 1,011.2

The fair values of the Restructured Term Loan, ABL Facility, Series A Notes, Series B Notes, 6% Notes (included in “Other” above) and A&R CDA (included in “Other” above) were estimated based on observable prices (level two inputs for fair value measurements). The carrying amount of the lease financing obligations approximates fair value (level two input for fair value measurement).

5. Employee Benefits

The following table presents the components of our company-sponsored pension costs for the three and nine months ended September 30:

(in millions)	Three Months 2013	Three Months 2012	Nine Months 2013	Nine Months 2012
Service cost	$ 1.1	$ 0.9	$ 3.2	$ 2.8
Interest cost	14.0	14.8	42.1	44.5
Expected return on plan assets	(13.9)	(14.9)	(41.7)	(38.1)
Amortization of net loss	3.7	1.0	11.1	6.8
Total periodic pension cost	$ 4.9	$ 1.8	$ 14.7	$ 16.0

We expect to contribute $62.6 million to our company-sponsored pension plans in 2013 of which we have contributed $48.9 million through September 30, 2013.

6. Income Taxes

Our effective tax rate for the three and nine months ended September 30, 2013 was (19.7)% and 7.9%, respectively, compared to 148.4% and 11.5%, respectively, for the three and nine months ended September 30, 2012. The significant items impacting the 2013 rate include a net state tax provision, certain permanent items and a change in the valuation allowance established for the net deferred tax asset balance projected for December 31, 2013. We recognize valuation allowances on deferred tax assets if, based on the weight of the evidence, we determine it is more likely than not such assets will not be realized. Changes in valuation allowances are included in our tax provision in the period of change. In determining whether a valuation allowance is warranted, we evaluate factors such as prior years' earnings history, expected future earnings, loss carry-back and carry-forward periods, reversals of existing deferred tax liabilities and tax planning strategies that potentially enhance the likelihood of the realization of a deferred tax asset. At September 30, 2013 and December 31, 2012, substantially all of our net deferred tax assets were subject to a valuation allowance.

The tax provision for the three month period ended September 30, 2013 by rule is derived by subtracting the tax benefit for the six months ended June 30, 2013 from the tax benefit for the nine months ended September 30, 2013, each of which is computed as a percentage of the year-to-date pre-tax loss, based on the projected annual effective tax rate at the time. Notwithstanding the similar expected annual net tax benefit from period to period, that projected rate decreased substantially from June 30 to September 30, due to the change in expectations of future performance discussed in Note 3, Liquidity, requiring a reversal of a previously recorded benefit.

Since our debt recapitalization in July 2011, we have experienced a significant change in ownership of our stock, as measured for federal income tax purposes. On July 25, 2013, we reached the threshold that triggered a change in ownership defined by Internal Revenue Code ("IRC") Section 382. This change will likely limit substantially the use of net operating loss carryovers ("NOLs") generated prior to July 25, 2013 to offset future taxable income. While the Section 382 change may adversely affect future cash flow, it has no impact on our current financial statements. The deferred tax asset resulting from the existing NOLs for which a Section 382 change limits financial statement recognition is already fully offset by a valuation allowance.

7. Shareholders' Deficit

The following reflects the activity in the shares of our common stock for the nine months ended September 30, 2013:

(shares in thousands)	2013
Beginning balance	7,976
Issuance of equity awards	245
Issuance of common stock upon conversion of Series B Notes	1,929
Ending balance	10,150

8. Earnings (Loss) Per Share

We calculate basic earnings (loss) per share by dividing our net earnings (loss) by our weighted-average shares outstanding at the end of the period. The calculation for diluted earnings per share adjusts the weighted average shares outstanding for our dilutive stock options and restricted stock using the treasury stock method and adjusts both net earnings and the weighted average shares outstanding for our dilutive convertible securities using the if-converted method. The if-converted method assumes that all of our dilutive convertible securities would have been converted at the beginning of the period. Our calculation for basic and dilutive earnings per share for the three and nine months ended September 30 is as follows:

	Three Months		Nine Months	
(dollars in millions, except per share data, shares in thousands)	2013	2012	2013	2012
Basic net income (loss) available to common shareholders	$ (44.4)	$ 3.0	$ (84.0)	$ (105.1)
Effect of dilutive securities:				
6% Notes[1]	—	(11.8)	—	—
Series B Notes[1]	—	(52.0)	—	—
Dilutive net loss available to common shareholders	$ (44.4)	$ (60.8)	$ (84.0)	$ (105.1)
Basic weighted average shares outstanding	9,977	7,512	9,053	7,149
Effect of dilutive securities:				
Stock options and restricted stock	—	31	—	—
6% Notes	—	18	—	—
Series B Notes	—	6,601	—	—
Dilutive weighted average shares outstanding	9,977	14,162	9,053	7,149
Basic earnings (loss) per share	$ (4.45)	$ 0.40	$ (9.29)	$ (14.16)
Diluted loss per share	$ (4.45)	$ (4.30)	$ (9.29)	$ (14.16)

[1] The 6% Notes and Series B Notes are recorded at a discount that accelerates upon conversion and contain a make-whole interest premium that would require us to pay interest as if the security was held to maturity upon conversion. These would result in incremental expense under the if-converted method.

Given our net loss position for the three and nine months ended September 30, 2013 and the nine months ended September 30, 2012, there were no dilutive securities for these periods.

Anti-dilutive options and share units were 834,400 and 766,900 at September 30, 2013 and 2012, respectively. Anti-dilutive 6% Note conversion shares, including the make whole premium, were 17,600 at September 30, 2013 and 2012. Anti-dilutive Series A Note conversion shares were 5,099,000 and 4,625,000 at September 30, 2013 and 2012, respectively. Anti-dilutive Series B Note conversion shares, including the make whole premiums, were 4,219,000 and 6,345,000 at September 30, 2013 and 2012, respectively.

9. Business Segments

We report financial and descriptive information about our reporting segments on a basis consistent with that used internally for evaluating segment performance and allocating resources to segments. We evaluate segment performance primarily on revenue and operating income.

We have the following reportable segments, which are strategic business units that offer complementary transportation services to our customers:

- **YRC Freight** is the reporting segment for our transportation service providers focused on business opportunities in national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This unit includes our LTL subsidiary YRC Inc. and Reimer Express, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.
- **Regional Transportation** is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. The Regional Transportation companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

We charge management fees and other corporate service fees to our reportable segments based on the direct benefits received or an overhead allocation basis. Corporate and other operating losses represent residual operating expenses of the holding company. Corporate identifiable assets primarily consist of cash, cash equivalents, an investment in an equity method affiliate and deferred debt issuance costs. Intersegment revenue primarily relates to transportation services between our segments.

The following table summarizes our operations by business segment:

(in millions)	YRC Freight	Regional Transportation	Corporate/ Eliminations	Consolidated
As of September 30, 2013				
Identifiable assets	$ 1,303.2	$ 812.1	$ 18.6	$ 2,133.9
As of December 31, 2012				
Identifiable assets	$ 1,315.4	$ 745.5	$ 164.6	$ 2,225.5
Three Months Ended September 30, 2013				
External revenue	$ 808.7	$ 444.0	$ —	$ 1,252.7
Intersegment revenue	$ —	$ —	$ —	$ —
Operating income (loss)	$ (9.7)	$ 20.0	$ (4.5)	$ 5.8
Nine Months Ended September 30, 2013				
External revenue	$ 2,360.1	$ 1,297.6	$ —	$ 3,657.7
Intersegment revenue	$ —	$ —	$ —	$ —
Operating income (loss)	$ (15.8)	$ 57.2	$ (11.4)	$ 30.0
Three Months Ended September 30, 2012				
External revenue	$ 819.5	$ 417.3	$ —	$ 1,236.8
Intersegment revenue	$ —	$ —	$ —	$ —
Operating income (loss)	$ 2.8	$ 27.2	$ (2.7)	$ 27.3
Nine Months Ended September 30, 2012				
External revenue	$ 2,429.7	$ 1,249.0	$ 3.2	$ 3,681.9
Intersegment revenue	$ —	$ 0.2	$ (0.2)	$ —
Operating income (loss)	$ (58.4)	$ 61.6	$ (9.1)	$ (5.9)

10. Network Optimization

In the second quarter of 2013, our YRC Freight reporting segment commenced its plan to optimize its freight network. This optimization reduced the number of handling and relay locations. Costs associated with this plan, which consist of employee separation costs and contract termination, asset impairments and other costs, are recorded at either their contractual amounts or their fair value. During the nine months ended September 30, 2013, we recorded $7.8 million related to these costs in the YRC Freight reporting segment. We did not record any expense related to these costs for the three months ended September 30, 2013.

Charges for the network optimization are included in "Salaries, wages and employees' benefits" as it relates to employee separation costs and "Operating expenses and supplies" as is relates to contract termination and other costs in the accompanying statements of consolidated comprehensive loss. In addition to the charges detailed below, we have recorded impairment charges on facilities that are part of the network optimization totaling $1.5 million during the nine months ended September 30, 2013. We did not record any impairment charges on facilities that are part of the network optimization for the three months ended September 30, 2013. These charges are included in "(Gains) losses on property disposals, net" in the accompanying statements of consolidated comprehensive loss. A rollforward of the accrual is as follows:

(in millions)	Employee Separation	Contract Termination and Other Costs	Total
Balance at December 31, 2012	$ —	$ 0.5	$ 0.5
Network optimization charges	1.3	5.0	6.3
Payments	(0.9)	(4.6)	(5.5)
Balance at September 30, 2013	$ 0.4	$ 0.9	$ 1.3

11. Commitments, Contingencies, and Uncertainties

ABF Lawsuit

On November 1, 2010, ABF Freight System, Inc. (“ABF”) filed a complaint in the U.S. District Court for the Western District of Arkansas against several parties, including our subsidiaries YRC Inc., New Penn Motor Express, Inc. and USF Holland Inc. and the International Brotherhood of Teamsters and the local Teamster unions that are party to the National Master Freight Agreement (“NMFA”), alleging violation of the NMFA due to modifications to the NMFA that provided relief to our subsidiaries without providing the same relief to ABF. The complaint sought to have the modifications to the NMFA declared null and void and damages of $750.0 million from the named defendants. We believe the allegations are without merit.

On December 17, 2010, the District Court dismissed the complaint. ABF appealed the dismissal on January 18, 2011 to the U.S. Court of Appeals for the 8th Circuit. On July 6, 2011, the Court of Appeals vacated the District Court's dismissal of the litigation on jurisdictional grounds and remanded the case back to the District Court for further proceedings. ABF filed an amended complaint on October 12, 2011, containing allegations consistent with the original complaint. Our subsidiaries filed a motion to dismiss the amended complaint. On August 1, 2012, the District Court dismissed ABF's amended complaint without prejudice. ABF appealed the dismissal to the Court of Appeals, and, on August 30, 2013, the Court of Appeals affirmed the District Court’s decision. It is unknown at this time if ABF will elect to seek review of the Court of Appeals’ decision by the U.S. Supreme Court. If ABF were to seek such review, we believe we have meritorious defenses to this case. Therefore, we have not recorded any liability for this matter.

Bryant Holdings Securities Litigation

On February 7, 2011, a putative class action was filed by Bryant Holdings LLC ("Bryant") in the U.S. District Court for the District of Kansas on behalf of purchasers of our common stock between April 24, 2008 and November 2, 2009, inclusive (the "Class Period"), seeking damages under the federal securities laws for statements and/or omissions allegedly made by us and the individual defendants during the Class Period which plaintiffs claimed to be false and misleading.

The individual defendants are former officers of our Company. No current officers or directors were named in the lawsuit.

The parties participated in voluntary mediation between March 11, 2013 and April 15, 2013. The mediation resulted in the execution of a mutually acceptable definitive agreement by the parties, which agreement remains subject to approval by the court. Court approval cannot be assured. Substantially all of the payments contemplated by the settlement will be covered by our liability insurance. The self-insured retention on this matter has been accrued as of September 30, 2013.

Other Legal Matters

We are involved in other litigation or proceedings that arise in ordinary business activities. We insure against these risks to the extent we deem prudent, but no assurance can be given that the nature or amount of such insurance will be sufficient to fully indemnify us against liabilities arising out of pending and future legal proceedings. Many of these insurance policies contain self-insured retentions in amounts we deem prudent. Based on our current assessment of information available as of the date of these financial statements, we believe that our financial statements include adequate provisions for estimated costs and losses that may be incurred within the litigation and proceedings to which we are a party.

12. Condensed Consolidating Financial Statements

Guarantees of the 6% Convertible Senior Notes Due 2014

On February 23, 2010 and August 3, 2010, we issued $70 million in aggregate principal amount of 6% convertible senior notes due 2014 (the “6% Notes”). In connection with the 6% Notes, the following wholly owned subsidiaries of YRC Worldwide have issued guarantees in favor of the holders of the notes: YRC Inc., YRC Enterprise Services, Inc., Roadway LLC, Roadway Next Day Corporation, YRC Regional Transportation, Inc., USF Holland Inc., USF Reddaway Inc., USF Glen Moore Inc. and YRC Logistics Services, Inc. Each of the guarantees is full and unconditional and joint and several, subject to customary release provisions.

The condensed consolidating financial statements are presented in lieu of separate financial statements and other related disclosures of the subsidiary guarantors and issuer because we do not believe that such separate financial statements and related disclosures would be material to investors. There are currently no significant restrictions on the ability of YRC Worldwide or any guarantor to obtain funds from its subsidiaries by dividend or loan. Certain prior period amounts have been reclassified to conform to current presentation.

The following represents condensed consolidating financial information as of September 30, 2013 and December 31, 2012, with respect to the financial position and for the three and nine months ended September 30, 2013 and 2012, for results of operations and the nine months ended September 30, 2013 for the Statement of cash flows of YRC Worldwide and its subsidiaries. The Parent column presents the financial information of YRC Worldwide, the primary obligor of the 6% Notes. The Guarantor Subsidiaries column presents the financial information of all guarantor subsidiaries of the 6% Notes. The Non-Guarantor Subsidiaries column presents the financial information of all non-guarantor subsidiaries, including those subsidiaries that are governed by foreign laws and YRCW Receivables LLC, the special-purpose entity that is associated with our ABL facility.

Condensed Consolidating Balance Sheets

As of September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ 129.6	$ 13.2	$ 27.7	$ —	$ 170.5
Intercompany advances receivable	—	(35.2)	35.2	—	—
Accounts receivable, net	3.3	(3.3)	519.0	—	519.0
Prepaid expenses and other	105.0	58.3	6.4	—	169.7
Total current assets	237.9	33.0	588.3	—	859.2
Property and equipment	0.8	2,671.5	182.2	—	2,854.5
Less – accumulated depreciation	(0.3)	(1,624.8)	(108.5)	—	(1,733.6)
Net property and equipment	0.5	1,046.7	73.7	—	1,120.9
Investment in subsidiaries	1,743.5	206.8	(0.1)	(1,950.2)	—
Receivable from affiliate	(491.1)	426.3	414.8	(350.0)	—
Intangibles and other assets	37.8	53.7	62.3	—	153.8
Total Assets	$ 1,528.6	$ 1,766.5	$ 1,139.0	$ (2,300.2)	$ 2,133.9
Intercompany advances payable	$ (11.8)	$ (269.2)	$ 281.0	$ —	$ —
Accounts payable	42.9	137.1	14.3	—	194.3
Wages, vacations and employees’ benefits	13.2	196.0	14.9	—	224.1
Other current and accrued liabilities	174.3	23.9	1.5	—	199.7
Current maturities of long-term debt	74.5	0.6	317.6	—	392.7
Total current liabilities	293.1	88.4	629.3	—	1,010.8
Payable to affiliate	—	200.0	150.0	(350.0)	—
Long-term debt, less current portion	967.5	0.8	—	—	968.3
Deferred income taxes, net	225.7	(222.1)	(3.6)	—	—
Pension and postretirement	503.5	—	(0.1)	—	503.4
Claims and other liabilities	279.9	34.1	3.2	—	317.2
Commitments and contingencies					
Shareholders’ equity (deficit)	(741.1)	1,665.3	360.2	(1,950.2)	(665.8)
Total Liabilities and Shareholders’ Equity (Deficit)	$ 1,528.6	$ 1,766.5	$ 1,139.0	$ (2,300.2)	$ 2,133.9

As of December 31, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ 151.9	$ 13.6	$ 43.2	$ —	$ 208.7
Intercompany advances receivable	—	(28.8)	28.8	—	—
Accounts receivable, net	3.3	(7.4)	464.2	—	460.1
Prepaid expenses and other	93.7	9.7	1.9	—	105.3
Total current assets	248.9	(12.9)	538.1	—	774.1
Property and equipment	0.7	2,681.7	186.6	—	2,869.0
Less – accumulated depreciation	(0.2)	(1,572.5)	(104.9)	—	(1,677.6)
Net property and equipment	0.5	1,109.2	81.7	—	1,191.4
Investment in subsidiaries	1,463.5	162.7	(17.6)	(1,608.6)	—
Receivable from affiliate	(392.8)	318.6	424.2	(350.0)	—
Intangibles and other assets	154.1	53.6	52.3	—	260.0
Total Assets	$ 1,474.2	$ 1,631.2	$ 1,078.7	$ (1,958.6)	$ 2,225.5
Intercompany advances payable	$ (11.8)	$ (294.5)	$ 306.3	$ —	$ —
Accounts payable	42.1	107.6	12.3	—	162.0
Wages, vacations and employees' benefits	13.2	163.9	13.8	—	190.9
Other current and accrued liabilities	193.5	30.3	9.4	—	233.2
Current maturities of long-term debt	6.8	—	2.3	—	9.1
Total current liabilities	243.8	7.3	344.1	—	595.2
Payable to affiliate	—	200.0	150.0	(350.0)	—
Long-term debt, less current portion	1,054.7	—	311.6	—	1,366.3
Deferred income taxes, net	228.2	(224.6)	(3.6)	—	—
Pension and postretirement	548.8	—	—	—	548.8
Claims and other liabilities	302.9	40.1	1.3	—	344.3
Commitments and contingencies					
Shareholders' equity (deficit)	(904.2)	1,608.4	275.3	(1,608.6)	(629.1)
Total Liabilities and Shareholders' Equity (Deficit)	$ 1,474.2	$ 1,631.2	$ 1,078.7	$ (1,958.6)	$ 2,225.5

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Condensed Consolidating Comprehensive Income (Loss)

Three Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 1,146.9	$ 105.8	$ —	$ 1,252.7
Operating Expenses:					
Salaries, wages and employees' benefits	6.6	651.2	54.0	—	711.8
Operating expenses and supplies	(2.9)	263.4	23.9	—	284.4
Purchased transportation	—	123.3	15.7	—	139.0
Depreciation and amortization	—	39.6	3.7	—	43.3
Other operating expenses	—	60.7	6.4	—	67.1
Losses on property disposals, net	—	1.2	0.1	—	1.3
Total operating expenses	3.7	1,139.4	103.8	—	1,246.9
Operating Income (Loss)	(3.7)	7.5	2.0	—	5.8
Nonoperating Expenses (Income):					
Interest expense	30.4	0.1	12.6	—	43.1
Other, net	32.4	(0.1)	(32.5)	—	(0.2)
Nonoperating expenses (income), net	62.8	—	(19.9)	—	42.9
Income (loss) before income taxes	(66.5)	7.5	21.9	—	(37.1)
Income tax provision (benefit)	6.7	(0.1)	0.7	—	7.3
Net income (loss)	(73.2)	7.6	21.2	—	(44.4)
Other comprehensive income, net of tax	0.3	3.4	0.9	—	4.6
Comprehensive Income (Loss)	$ (72.9)	$ 11.0	$ 22.1	$ —	$ (39.8)

Three Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 1,130.8	$ 106.0	$ —	$ 1,236.8
Operating Expenses:					
Salaries, wages and employees' benefits	8.3	644.9	47.8	—	701.0
Operating expenses and supplies	(7.1)	258.6	23.9	—	275.4
Purchased transportation	—	108.6	18.2	—	126.8
Depreciation and amortization	—	40.9	3.7	—	44.6
Other operating expenses	0.9	58.7	4.4	—	64.0
Gains on property disposals, net	—	(2.2)	(0.1)	—	(2.3)
Total operating expenses	2.1	1,109.5	97.9	—	1,209.5
Operating Income (Loss)	(2.1)	21.3	8.1	—	27.3
Nonoperating Expenses (Income):					
Interest expense	24.4	(3.0)	12.3	—	33.7
Other, net	77.7	(49.6)	(28.3)	—	(0.2)
Nonoperating expenses (income), net	102.1	(52.6)	(16.0)	—	33.5
Income (loss) before income taxes	(104.2)	73.9	24.1	—	(6.2)
Income tax provision (benefit)	(11.2)	1.1	0.9	—	(9.2)
Net income (loss)	(93.0)	72.8	23.2	—	3.0
Other comprehensive income (loss), net of tax	(0.1)	0.9	2.9	—	3.7
Comprehensive Income (Loss)	$ (93.1)	$ 73.7	$ 26.1	$ —	$ 6.7

Nine Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 3,349.7	$ 308.0	$ —	$ 3,657.7
Operating Expenses:					
Salaries, wages and employees' benefits	26.2	1,927.3	156.8	—	2,110.3
Operating expenses and supplies	(16.9)	782.1	72.8	—	838.0
Purchased transportation	—	336.3	43.3	—	379.6
Depreciation and amortization	0.1	119.3	11.0	—	130.4
Other operating expenses	0.1	159.0	12.2	—	171.3
(Gains) losses on property disposals, net	—	(2.0)	0.1	—	(1.9)
Total operating expenses	9.5	3,322.0	296.2	—	3,627.7
Operating Income (Loss)	(9.5)	27.7	11.8	—	30.0
Nonoperating Expenses (Income):					
Interest expense (income)	88.2	(1.6)	37.6	—	124.2
Other, net	78.5	15.0	(96.5)	—	(3.0)
Nonoperating expenses (income), net	166.7	13.4	(58.9)	—	121.2
Income (loss) before income taxes	(176.2)	14.3	70.7	—	(91.2)
Income tax provision (benefit)	(8.0)	(1.1)	1.9	—	(7.2)
Net income (loss)	(168.2)	15.4	68.8	—	(84.0)
Other comprehensive income (loss), net of tax	1.3	10.1	(1.6)	—	9.8
Comprehensive Income (Loss)	$ (166.9)	$ 25.5	$ 67.2	$ —	$ (74.2)

Nine Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 3,362.3	$ 319.6	$ —	$ 3,681.9
Operating Expenses:					
Salaries, wages and employees' benefits	26.8	1,957.1	145.9	—	2,129.8
Operating expenses and supplies	(22.8)	807.7	69.5	—	854.4
Purchased transportation	—	314.9	57.8	—	372.7
Depreciation and amortization	0.1	128.4	10.9	—	139.4
Other operating expenses	2.8	174.7	14.5	—	192.0
Gains on property disposals, net	—	(0.3)	(0.2)	—	(0.5)
Total operating expenses	6.9	3,382.5	298.4	—	3,687.8
Operating Income (Loss)	(6.9)	(20.2)	21.2	—	(5.9)
Nonoperating Expenses (Income):					
Interest expense (income)	77.8	(2.4)	36.2	—	111.6
Other, net	226.6	(141.9)	(87.9)	—	(3.2)
Nonoperating expenses (income), net	304.4	(144.3)	(51.7)	—	108.4
Income (loss) before income taxes	(311.3)	124.1	72.9	—	(114.3)
Income tax provision (benefit)	(16.0)	1.0	1.9	—	(13.1)
Net income (loss)	(295.3)	123.1	71.0	—	(101.2)
Less: Net income attributable to non-controlling interest	—	—	3.9	—	3.9
Net Income (Loss) Attributable to YRC Worldwide Inc.	(295.3)	123.1	67.1	—	(105.1)
Other comprehensive income, net of tax	0.6	6.1	3.2	—	9.9
Comprehensive Income (Loss) Attributable to YRC Worldwide Inc. Shareholders	$ (294.7)	$ 129.2	$ 70.3	$ —	$ (95.2)

Condensed Consolidating Statements of Cash Flows

Nine Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Activities:					
Net cash provided by (used in) operating activities	$ (194.9)	$ 174.4	$ 17.5	$ —	$ (3.0)
Investing Activities:					
Acquisition of property and equipment	—	(55.2)	(1.3)	—	(56.5)
Proceeds from disposal of property and equipment	—	3.9	2.0	—	5.9
Restricted escrow receipts, net	19.9	—	—	—	19.9
Other, net	1.8	—	—	—	1.8
Net cash provided by (used in) investing activities	21.7	(51.3)	0.7	—	(28.9)
Financing Activities:					
Issuance of long-term debt	—	0.3	—	—	0.3
Repayments of long-term debt	(4.7)	(0.2)	(1.7)	—	(6.6)
Intercompany advances (repayments)	155.6	(123.6)	(32.0)	—	—
Net cash provided by (used in) financing activities	150.9	(123.5)	(33.7)	—	(6.3)
Net Decrease in Cash and Cash Equivalents	(22.3)	(0.4)	(15.5)	—	(38.2)
Cash and Cash Equivalents, Beginning of Period	151.9	13.6	43.2	—	208.7
Cash and Cash Equivalents, End of Period	$ 129.6	$ 13.2	$ 27.7	$ —	$ 170.5

Nine Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Activities:					
Net cash provided by (used in) operating activities	$ (368.4)	$ 289.2	$ 31.2	$ —	$ (48.0)
Investing Activities:					
Acquisition of property and equipment	—	(46.8)	(1.3)	—	(48.1)
Proceeds from disposal of property and equipment	—	39.0	0.2	—	39.2
Restricted escrow receipts, net	23.9	—	—	—	23.9
Other, net	2.4	—	—	—	2.4
Net cash provided by (used in) investing activities	26.3	(7.8)	(1.1)	—	17.4
Financing Activities:					
Issuance of long-term debt	—	—	45.0	—	45.0
Repayments of long-term debt	(18.7)	—	(1.7)	—	(20.4)
Debt issuance costs	(2.0)	—	(3.1)	—	(5.1)
Intercompany advances (repayments)	352.1	(283.7)	(68.4)	—	—
Net cash provided by (used in) financing activities	331.4	(283.7)	(28.2)	—	19.5
Net Increase (Decrease) in Cash and Cash Equivalents	(10.7)	(2.3)	1.9	—	(11.1)
Cash and Cash Equivalents, Beginning of Period	142.0	20.0	38.5	—	200.5
Cash and Cash Equivalents, End of Period	$ 131.3	$ 17.7	$ 40.4	$ —	$ 189.4

Guarantees of the Series A Notes and the Series B Notes

On July 22, 2011, we issued $140 million in aggregate principal amount of our Series A Notes and $100 million in aggregate principal amount of our Series B Notes (collectively, the "Convertible Secured Notes"). In connection with the Convertible Secured Notes, the following wholly owned subsidiaries of YRC Worldwide issued guarantees in favor of the holders of the New Convertible Secured Notes: YRC Inc., YRC Enterprise Services, Inc., Roadway LLC, Roadway Reverse Logistics, Inc., Roadway Express International, Inc., Roadway Next Day Corporation, New Penn Motor Express Inc., YRC Regional Transportation, Inc., USF Holland Inc., USF Reddaway Inc., USF Glen Moore Inc., YRC Logistics Services, Inc., USF Bestway Inc., USF Dugan Inc., USF RedStar LLC, YRC Mortgages, LLC, YRC Association Solutions Inc., YRC International Investments Inc., and Express Lane Services Inc. Each of the guarantees is full and unconditional and joint and several, subject to customary release provisions.

The condensed consolidating financial statements are presented in lieu of separate financial statements and other related disclosures of the subsidiary guarantors and issuer because we do not believe that such separate financial statements and related disclosures would be material to investors. There are currently no significant restrictions on the ability of YRC Worldwide or any guarantor to obtain funds from its subsidiaries by dividend or loan. Certain prior period amounts have been reclassified to conform to current presentation.

The following represents condensed consolidating financial information as of September 30, 2013 and December 31, 2012, with respect to the financial position and for the three and nine months ended September 30, 2013 and 2012, for results of operations and nine months ended September 30, 2013 for the statement of cash flows of YRC Worldwide and its subsidiaries. The Parent column presents the financial information of YRC Worldwide, the primary obligor of the New Convertible Secured Notes. The Guarantor Subsidiaries column presents the financial information of all guarantor subsidiaries of the New Convertible Secured Notes. The Non-Guarantor Subsidiaries column presents the financial information of all non-guarantor subsidiaries, including those subsidiaries that are governed by foreign laws and YRCW Receivables LLC, the special-purpose entity that is associated with our ABL facility.

Condensed Consolidating Balance Sheets

As of September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ 129.6	$ 15.1	$ 25.8	$ —	$ 170.5
Intercompany advances receivable	—	(35.2)	35.2	—	—
Accounts receivable, net	3.3	27.6	488.1	—	519.0
Prepaid expenses and other	105.0	62.6	2.1	—	169.7
Total current assets	237.9	70.1	551.2	—	859.2
Property and equipment	0.8	2,802.1	51.6	—	2,854.5
Less – accumulated depreciation	(0.3)	(1,694.9)	(38.4)	—	(1,733.6)
Net property and equipment	0.5	1,107.2	13.2	—	1,120.9
Investment in subsidiaries	1,743.5	206.7	—	(1,950.2)	—
Receivable from affiliate	(491.1)	494.2	196.9	(200.0)	—
Intangibles and other assets	37.8	85.1	30.9	—	153.8
Total Assets	$ 1,528.6	$ 1,963.3	$ 792.2	$ (2,150.2)	$ 2,133.9
Intercompany advances payable	$ (11.8)	$ (269.2)	$ 281.0	$ —	$ —
Accounts payable	42.9	143.1	8.3	—	194.3
Wages, vacations and employees' benefits	13.2	207.2	3.7	—	224.1
Other current and accrued liabilities	174.3	17.2	8.2	—	199.7
Current maturities of long-term debt	74.5	0.6	317.6	—	392.7
Total current liabilities	293.1	98.9	618.8	—	1,010.8
Payable to affiliate	—	200.0	—	(200.0)	—
Long-term debt, less current portion	967.5	0.8	—	—	968.3
Deferred income taxes, net	225.7	(228.3)	2.6	—	—
Pension and postretirement	503.5	—	(0.1)	—	503.4
Claims and other liabilities	279.9	35.1	2.2	—	317.2
Commitments and contingencies					
Shareholders' equity (deficit)	(741.1)	1,856.8	168.7	(1,950.2)	(665.8)
Total Liabilities and Shareholders' Equity (Deficit)	$ 1,528.6	$ 1,963.3	$ 792.2	$ (2,150.2)	$ 2,133.9

As of December 31, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ 151.9	$ 15.5	$ 41.3	$ —	$ 208.7
Intercompany advances receivable	—	(28.8)	28.8	—	—
Accounts receivable, net	3.3	20.6	436.2	—	460.1
Prepaid expenses and other	93.7	31.8	(20.2)	—	105.3
Total current assets	248.9	39.1	486.1	—	774.1
Property and equipment	0.7	2,814.9	53.4	—	2,869.0
Less – accumulated depreciation	(0.2)	(1,638.7)	(38.7)	—	(1,677.6)
Net property and equipment	0.5	1,176.2	14.7	—	1,191.4
Investment in subsidiaries	1,463.5	149.2	(4.1)	(1,608.6)	—
Receivable from affiliate	(392.8)	351.5	241.3	(200.0)	—
Intangibles and other assets	154.1	86.9	19.0	—	260.0
Total Assets	$ 1,474.2	$ 1,802.9	$ 757.0	$ (1,808.6)	$ 2,225.5
Intercompany advances payable	$ (11.8)	$ (294.5)	$ 306.3	$ —	$ —
Accounts payable	42.1	112.3	7.6	—	162.0
Wages, vacations and employees’ benefits	13.2	173.8	3.9	—	190.9
Other current and accrued liabilities	193.5	28.0	11.7	—	233.2
Current maturities of long-term debt	6.8	—	2.3	—	9.1
Total current liabilities	243.8	19.6	331.8	—	595.2
Payable to affiliate	—	200.0	—	(200.0)	—
Long-term debt, less current portion	1,054.7	—	311.6	—	1,366.3
Deferred income taxes, net	228.2	(230.9)	2.7	—	—
Pension and postretirement	548.8	—	—	—	548.8
Claims and other liabilities	302.9	40.9	0.5	—	344.3
Commitments and contingencies					
Shareholders’ equity (deficit)	(904.2)	1,773.3	110.4	(1,608.6)	(629.1)
Total Liabilities and Shareholders’ Equity (Deficit)	$ 1,474.2	$ 1,802.9	$ 757.0	$ (1,808.6)	$ 2,225.5

Condensed Consolidating Comprehensive Income (Loss)

Three Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 1,216.8	$ 35.9	$ —	$ 1,252.7
Operating Expenses:					
Salaries, wages and employees' benefits	6.6	691.6	13.6	—	711.8
Operating expenses and supplies	(2.9)	277.3	10.0	—	284.4
Purchased transportation	—	130.2	8.8	—	139.0
Depreciation and amortization	—	42.7	0.6	—	43.3
Other operating expenses	—	67.0	0.1	—	67.1
Losses on property disposals, net	—	1.3	—	—	1.3
Total operating expenses	3.7	1,210.1	33.1	—	1,246.9
Operating Income (Loss)	(3.7)	6.7	2.8	—	5.8
Nonoperating Expenses (Income):					
Interest expense	30.4	0.2	12.5	—	43.1
Other, net	32.4	(3.4)	(29.2)	—	(0.2)
Nonoperating expenses (income), net	62.8	(3.2)	(16.7)	—	42.9
Income (loss) before income taxes	(66.5)	9.9	19.5	—	(37.1)
Income tax provision (benefit)	6.7	(0.1)	0.7	—	7.3
Net income (loss)	(73.2)	10.0	18.8	—	(44.4)
Other comprehensive income, net of tax	0.3	3.5	0.8	—	4.6
Comprehensive Income (Loss)	$ (72.9)	$ 13.5	$ 19.6	$ —	$ (39.8)

Three Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 1,196.9	$ 39.9	$ —	$ 1,236.8
Operating Expenses:					
Salaries, wages and employees' benefits	8.3	677.9	14.8	—	701.0
Operating expenses and supplies	(7.1)	271.9	10.6	—	275.4
Purchased transportation	—	114.5	12.3	—	126.8
Depreciation and amortization	—	43.9	0.7	—	44.6
Other operating expenses	0.9	62.2	0.9	—	64.0
Gains on property disposals, net	—	(2.3)	—	—	(2.3)
Total operating expenses	2.1	1,168.1	39.3	—	1,209.5
Operating Income (Loss)	(2.1)	28.8	0.6	—	27.3
Nonoperating Expenses (Income):					
Interest expense (income)	24.4	(3.1)	12.4	—	33.7
Other, net	77.7	(51.1)	(26.8)	—	(0.2)
Nonoperating expenses (income), net	102.1	(54.2)	(14.4)	—	33.5
Income (loss) before income taxes	(104.2)	83.0	15.0	—	(6.2)
Income tax provision (benefit)	(11.2)	1.1	0.9	—	(9.2)
Net income (loss)	(93.0)	81.9	14.1	—	3.0
Other comprehensive income (loss), net of tax	(0.1)	0.8	3.0	—	3.7
Comprehensive Income (Loss)	$ (93.1)	$ 82.7	$ 17.1	$ —	$ 6.7

Nine Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 3,551.9	$ 105.8	$ —	$ 3,657.7
Operating Expenses:					
Salaries, wages and employees' benefits	26.2	2,043.1	41.0	—	2,110.3
Operating expenses and supplies	(16.9)	824.3	30.6	—	838.0
Purchased transportation	—	355.1	24.5	—	379.6
Depreciation and amortization	0.1	128.5	1.8	—	130.4
Other operating expenses	0.1	171.4	(0.2)	—	171.3
Gains on property disposals, net	—	(1.9)	—	—	(1.9)
Total operating expenses	9.5	3,520.5	97.7	—	3,627.7
Operating Income (Loss)	(9.5)	31.4	8.1	—	30.0
Nonoperating Expenses (Income):					
Interest expense (income)	88.2	(1.5)	37.5	—	124.2
Other, net	78.5	5.4	(86.9)	—	(3.0)
Nonoperating expenses (income), net	166.7	3.9	(49.4)	—	121.2
Income (loss) before income taxes	(176.2)	27.5	57.5	—	(91.2)
Income tax provision (benefit)	(8.0)	(1.1)	1.9	—	(7.2)
Net income (loss)	(168.2)	28.6	55.6	—	(84.0)
Other comprehensive income (loss), net of tax	1.3	10.2	(1.7)	—	9.8
Comprehensive Income (Loss)	$ (166.9)	$ 38.8	$ 53.9	$ —	$ (74.2)

Nine Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Revenue	$ —	$ 3,557.7	$ 124.2	$ —	$ 3,681.9
Operating Expenses:					
Salaries, wages and employees' benefits	26.8	2,056.9	46.1	—	2,129.8
Operating expenses and supplies	(22.8)	847.3	29.9	—	854.4
Purchased transportation	—	333.1	39.6	—	372.7
Depreciation and amortization	0.1	137.5	1.8	—	139.4
Other operating expenses	2.8	185.5	3.7	—	192.0
Gains on property disposals, net	—	(0.4)	(0.1)	—	(0.5)
Total operating expenses	6.9	3,559.9	121.0	—	3,687.8
Operating Income (Loss)	(6.9)	(2.2)	3.2	—	(5.9)
Nonoperating Expenses (Income):					
Interest expense (income)	77.8	(2.4)	36.2	—	111.6
Other, net	226.6	(145.9)	(83.9)	—	(3.2)
Nonoperating expenses (income), net	304.4	(148.3)	(47.7)	—	108.4
Income (loss) before income taxes	(311.3)	146.1	50.9	—	(114.3)
Income tax provision (benefit)	(16.0)	1.0	1.9	—	(13.1)
Net income (loss)	(295.3)	145.1	49.0	—	(101.2)
Less: Net income attributable to non-controlling interest	—	—	3.9	—	3.9
Net Income (Loss) Attributable to YRC Worldwide Inc.	(295.3)	145.1	45.1	—	(105.1)
Other comprehensive income, net of tax	0.6	6.1	3.2	—	9.9
Comprehensive Income (Loss) Attributable to YRC Worldwide Inc. Shareholders	$ (294.7)	$ 151.2	$ 48.3	$ —	$ (95.2)

Condensed Consolidating Statements of Cash Flows

Nine Months Ended September 30, 2013 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Activities:					
Net cash provided by (used in) operating activities	$ (194.9)	$ 188.9	$ 3.0	$ —	$ (3.0)
Investing Activities:					
Acquisition of property and equipment	—	(56.2)	(0.3)	—	(56.5)
Proceeds from disposal of property and equipment	—	5.9	—	—	5.9
Restricted amounts held in escrow	19.9	—	—	—	19.9
Other, net	1.8	—	—	—	1.8
Net cash provided by (used in) investing activities	21.7	(50.3)	(0.3)	—	(28.9)
Financing Activities:					
Issuance of long-term debt	—	0.3	—	—	0.3
Repayments of long-term debt	(4.7)	(0.2)	(1.7)	—	(6.6)
Intercompany advances (repayments)	155.6	(139.1)	(16.5)	—	—
Net cash provided by (used in) financing activities	150.9	(139.0)	(18.2)	—	(6.3)
Net Decrease in Cash and Cash Equivalents	(22.3)	(0.4)	(15.5)	—	(38.2)
Cash and Cash Equivalents, Beginning of Period	151.9	15.5	41.3	—	208.7
Cash and Cash Equivalents, End of Period	$ 129.6	$ 15.1	$ 25.8	$ —	$ 170.5

Nine Months Ended September 30, 2012 (in millions)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Operating Activities:					
Net cash provided by (used in) operating activities	$ (368.4)	$ 316.0	$ 4.4	$ —	$ (48.0)
Investing Activities:					
Acquisition of property and equipment	—	(47.2)	(0.9)	—	(48.1)
Proceeds from disposal of property and equipment	—	39.2	—	—	39.2
Restricted amounts held in escrow	23.9	—	—	—	23.9
Other, net	2.4	—	—	—	2.4
Net cash provided by (used in) investing activities	26.3	(8.0)	(0.9)	—	17.4
Financing Activities:					
Issuance of long-term debt	—	—	45.0	—	45.0
Repayments of long-term debt	(18.7)	—	(1.7)	—	(20.4)
Debt issuance cost	(2.0)	—	(3.1)	—	(5.1)
Intercompany advances (repayments)	352.1	(310.4)	(41.7)	—	—
Net cash provided by (used in) financing activities	331.4	(310.4)	(1.5)	—	19.5
Net Increase (Decrease) in Cash and Cash Equivalents	(10.7)	(2.4)	2.0	—	(11.1)
Cash and Cash Equivalents, Beginning of Period	142.0	21.1	37.4	—	200.5
Cash and Cash equivalents, End of Period	$ 131.3	$ 18.7	$ 39.4	$ —	$ 189.4

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Note Regarding Forward-Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the Consolidated Financial Statements and the Notes to Consolidated Financial Statements included elsewhere in this report. MD&A and certain Notes to the Consolidated Financial Statements include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). Forward-looking statements include those preceded by, followed by or characterized by words such as "will," "expect," "intend," "anticipate," "believe," "project," "forecast," "propose," "plan," "designed," "estimate," "enable" and similar expressions. Forward-looking statements are inherently uncertain and are subject to significant business, economic, competitive, regulatory and other risks, uncertainties and contingencies, known and unknown, many of which are beyond our control. Readers are cautioned not to place undue reliance on any forward-looking statements. Our future financial condition and results could differ materially from those predicted in such forward-looking statements because of a number of factors, including (without limitation):

- our ability to generate sufficient liquidity to satisfy our cash needs and future cash commitments, including (without limitation) our obligations related to our indebtedness and lease and pension funding requirements, and our ability to achieve increased cash flows through improvement in operations;
- the pace of recovery in the overall economy, including (without limitation) customer demand in the retail and manufacturing sectors;
- the success of our management team in implementing its strategic plan and operational and productivity improvements, including (without limitation) our continued ability to meet high on-time and quality delivery performance standards and our ability to increase volume and yield, and the impact of those improvements on our future liquidity and profitability;
- our ability to comply with debt covenants and our cash reserve requirement;
- our ability to refinance or restructure our indebtedness, a substantial portion of which matures in late 2014 or early 2015, in light of our recent operating results or otherwise;
- our ability to obtain amendments or waivers to our credit facilities prior to any breach in our credit facility financial covenants;
- our ability to finance the maintenance, acquisition and replacement of revenue equipment and other necessary capital expenditures;
- our dependence on our information technology systems in our network operations and the production of accurate information, and the risk of system failure, inadequacy or security breach;
- changes in equity and debt markets;
- inclement weather;
- price and availability of fuel;
- sudden changes in the cost of fuel or the index upon which we base our fuel surcharge and the effectiveness of our fuel surcharge program in protecting us against fuel price volatility;
- competition and competitive pressure on service and pricing;
- expense volatility, including (without limitation) volatility due to changes in rail service or pricing for rail service;
- our ability to comply and the cost of compliance with federal, state, local and foreign laws and regulations, including (without limitation) laws and regulations for the protection of employee safety and health (including new hours-of-service regulations) and the environment;
- terrorist attack;
- labor relations, including (without limitation) the continued support of our union employees for our strategic plan, the impact of work rules, work stoppages, strikes or other disruptions, our obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction;
- the impact of claims and litigation to which we are or may become exposed; and
- other risks and contingencies, including (without limitation) the risk factors that are included in our reports filed with the SEC, including those described under "Risk Factors" in our annual report on Form 10-K and quarterly reports on Form 10-Q, including this quarterly report.

Overview

MD&A includes the following sections:

Our Business -- a brief description of our business and a discussion of how we assess our operating results.

Consolidated Results of Operations -- an analysis of our consolidated results of operations for the three and nine months ended September 30, 2013 and 2012.

Reporting Segment Results of Operations -- an analysis of our results of operations for the three and nine months ended September 30, 2013 and 2012 for our YRC Freight and Regional Transportation reporting segments.

Certain Non-GAAP Financial Measures -- an analysis of selected Non-GAAP financial measures for the three and nine months ended September 30, 2013 and 2012.

Financial Condition/Liquidity and Capital Resources -- a discussion of our major sources and uses of cash and an analysis of our cash flows and aggregate contractual obligations and commercial commitments.

The "third quarter" and "first three quarters" of the years discussed below refers to the three and nine months ended September 30, respectively.

Our Business

We are a holding company that, through wholly owned operating subsidiaries and our interest in a Chinese joint venture, offers our customers a wide range of transportation services. We have one of the largest, most comprehensive less-than-truckload ("LTL") networks in North America with local, regional, national and international capabilities. Through our team of experienced service professionals, we offer industry-leading expertise in heavyweight shipments and flexible supply chain solutions, ensuring customers can ship industrial, commercial and retail goods with confidence.

We measure the performance of our business on both a consolidated basis and a reporting segment basis. We use several performance metrics, but rely primarily upon (without limitation) operating revenue, operating income (loss), and operating ratio. We also use certain non-GAAP financial measures as secondary measures to assess our operating performance.

- **Operating Revenue:** Our operating revenue has two primary components: volume (commonly evaluated using number of shipments and weight per shipment) and yield or price (commonly evaluated on a dollar per hundredweight basis). Yield includes fuel surcharge revenue, which is common in the trucking industry and represents an amount charged to customers that adjusts with changing fuel prices. We base our fuel surcharges on a published national index and adjust them weekly. Rapid material changes in the index or our cost of fuel can positively or negatively impact our revenue and operating income versus prior periods, as there is a lag in our adjustment of base rates in response to changes in fuel surcharge. We believe that fuel surcharge is an accepted and important component of the overall pricing of our services to our customers. Without an industry accepted fuel surcharge program, our base pricing for our transportation services would require numerous changes. We believe the distinction between base rates and fuel surcharge has blurred over time, and it is impractical to clearly separate all the different factors that influence the price that our customers are willing to pay. In general, under our present fuel surcharge program, we believe rising fuel costs are beneficial to us and falling fuel costs are detrimental to us in the short term.

- **Operating Income (Loss):** Operating income (loss) is our operating revenue less operating expenses. Our consolidated operating income (loss) includes certain corporate charges that are not allocated to our YRC Freight and Regional Transportation reporting segments.

- **Operating Ratio:** Operating ratio is a common operating performance metric used in the trucking industry. It is calculated as (i) 100 percent (ii) minus the result of dividing operating income by operating revenue or (iii) plus the result of dividing operating loss by operating revenue, and expressed as a percentage.

- **Non-GAAP Financial Measures:** We use certain non-GAAP financial measures to assess our performance. These include (without limitation) adjusted EBITDA and adjusted free cash flow (deficit):

    - *Adjusted EBITDA:* a non-GAAP measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and further adjusted for letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including restructuring professional fees and results of permitted dispositions and discontinued operations as defined in our credit facilities. Adjusted EBITDA is used for internal management purposes as a financial measure that reflects our core operating performance and to measure compliance with financial covenants in our credit facilities.

- *Adjusted Free Cash Flow (Deficit):* a non-GAAP measure that reflects our net cash provided by (used in) operating activities minus gross capital expenditures and excludes restructuring professional fees included in operating cash flow.

Our non-GAAP financial measures have the following limitations:

- Adjusted EBITDA does not reflect the interest expense or the cash requirements necessary to fund restructuring professional fees, letter of credit fees, service interest or principal payments on our outstanding debt;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and adjusted EBITDA does not reflect any cash requirements for such replacements;
- Equity based compensation is an element of our long-term incentive compensation package, although adjusted EBITDA excludes employee equity-based compensation expense when presenting our ongoing operating performance for a particular period;
- Adjusted free cash flow (deficit) excludes the cash usage by our restructuring professional fees, debt issuance costs, equity issuance costs and principal payments on our outstanding debt and the resulting reduction in our liquidity position from those cash outflows; and
- Other companies in our industry may calculate adjusted EBITDA and adjusted free cash flow (deficit) differently than we do, potentially limiting their usefulness as comparative measures.

Because of these limitations, our non-GAAP measures should not be considered a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and use our non-GAAP measures as secondary measures.

Consolidated Results of Operations

Our consolidated results include the consolidated results of our YRC Freight and Regional Transportation reporting segments as well as any unallocated corporate charges. A more detailed discussion of the operating results of our segments is presented in the "Reporting Segment Results of Operations" section below.

The table below provides summary consolidated financial information for the third quarter and first three quarters of 2013 and 2012:

	Third Quarter			First Three Quarters		
(in millions)	2013	2012	Percent Change	2013	2012	Percent Change
Operating revenue	$ 1,252.7	$ 1,236.8	1.3 %	$ 3,657.7	$ 3,681.9	(0.7)%
Operating income (loss)	$ 5.8	$ 27.3	(78.8)%	$ 30.0	$ (5.9)	NM*
Nonoperating expenses, net	$ 42.9	$ 33.5	28.1 %	$ 121.2	$ 108.4	11.8 %
Net income (loss)	$ (44.4)	$ 3.0	NM*	$ (84.0)	$ (101.2)	17.0 %

*Not meaningful

Third Quarter of 2013 Compared to the Third Quarter of 2012

Our consolidated operating revenue increased 1.3% during the third quarter of 2013 compared to the same period in 2012. The increase in revenue is primarily attributable to higher volumes at our Regional Transportation reporting segment, partially offset by decreases in yield and volume at our YRC Freight reporting segment over the comparable prior year period.

Operating expenses for the third quarter of 2013 increased $37.4 million or 3.1% compared to the same period in 2012 primarily related to a $12.2 million increase in purchased transportation, a $10.8 million increase in salaries, wages and employees' benefits, a $9.0 million increase in operating expenses and supplies and a $3.1 million increase in other operating expenses.

- The $12.2 million increase in purchased transportation was driven by increased purchased rail transportation miles at our YRC Freight reporting segment largely in conjunction with our network optimization initiative.
- The $10.8 million increase in salaries, wages and employees' benefits was largely due to a $9.8 million or 2.7% increase in wages driven by increased volumes at our Regional Transportation reporting segment and a $2.2 million increase in workers' compensation expense driven by unfavorable development on prior year claims.

- The $9.0 million increase in operating expenses and supplies was primarily driven by a $5.4 million increase in our vehicle maintenance expense to support our aging fleet.
- The $3.1 million increase in other operating expenses was primarily driven by a $4.4 million increase in our bodily injury and property damage expense.

Our effective tax rate for the third quarter of 2013 and 2012 was (19.7)% and 148.4%, respectively. Significant items impacting the third quarter 2013 rate include a net state tax provision, certain permanent items and a change in the valuation allowance established for the net deferred tax asset balance projected for December 31, 2013. We recognize valuation allowances on deferred tax assets if, based on the weight of the evidence, we determine it is more likely than not that such assets will not be realized. Changes in valuation allowances are included in our tax provision in the period of change. In determining whether a valuation allowance is warranted, we evaluate factors such as prior years' earnings history, expected future earnings, loss carry-back and carry-forward periods, reversals of existing deferred tax liabilities and tax planning strategies that potentially enhance the likelihood of the realization of a deferred tax asset. At September 30, 2013 and December 31, 2012, substantially all of our net deferred tax assets are subject to a valuation allowance.

The tax provision for the three month period ended September 30, 2013 by rule is derived by subtracting the tax benefit for the six months ended June 30, 2013 from the tax benefit for the nine months ended September 30, 2013, each of which is computed as a percentage of the year-to-date pre-tax loss, based on the projected annual effective tax rate at the time. Notwithstanding the similar expected annual net tax benefit from period to period, that projected rate decreased substantially from June 30 to September 30, due to the change in expectations of future performance discussed in Note 3, Liquidity, requiring a reversal of a previously recorded benefit.

First Three Quarters of 2013 Compared to the First Three Quarters of 2012

Our consolidated operating revenue decreased 0.7% during the first three quarters of 2013 compared to the same period in 2012. The decrease in revenue is primarily attributable to lower volumes at our YRC Freight segment over the comparable prior year period.

Operating expenses for the first three quarters of 2013 decreased $60.1 million or 1.6% compared to the same period in 2012 primarily related to a $20.7 million decrease in other operating expenses, a $19.5 million decrease in salaries, wages and employees' benefits and a $16.4 million decrease in operating expenses and supplies.

- The $20.7 million decrease in other operating expenses was primarily driven by a $12.5 million decrease in our bodily injury and property damage expense due to our settlement initiatives and a $5.9 million decrease in cargo claims driven by favorable claim development and lower shipping volumes.
- The $19.5 million decrease in salaries, wages and employees' benefits was largely due to a $11.4 million or 11.1% reduction in workers' compensation expense driven by safety initiatives and settlement activity that are reducing our claims outstanding as well as a $7.0 million or 1.0% decrease in benefits driven by lower expense on our single-employer pension plan.
- The $16.4 million decrease in operating expenses and supplies was primarily driven by lower fuel expense of $16.2 million or 3.8%. The decrease in fuel expense is primarily a function of fewer miles driven at our YRC Freight reporting segment.

Our effective tax rate for the first three quarters of 2013 and 2012 was 7.9% and 11.5%, respectively. Significant items impacting the first three quarters of 2013 rate include a net state tax provision, certain permanent items and a change in the valuation allowance established for the net deferred tax asset balance projected for December 31, 2013. We recognize valuation allowances on deferred tax assets if, based on the weight of the evidence, we determine it is more likely than not that such assets will not be realized. Changes in valuation allowances are included in our tax provision in the period of change. In determining whether a valuation allowance is warranted, we evaluate factors such as prior years' earnings history, expected future earnings, loss carry-back and carry-forward periods, reversals of existing deferred tax liabilities and tax planning strategies that potentially enhance the likelihood of the realization of a deferred tax asset. At September 30, 2013 and December 31, 2012, substantially all of our net deferred tax assets are subject to a valuation allowance.

On September 13, 2013, the U.S. Department of the Treasury and the IRS released final regulations providing guidance on the application of IRC Section 263(a) to amounts paid to acquire, produce, or improve tangible property, as well as rules for materials and supplies ("Tangible Property Regulations"). While the final regulations are generally effective for taxable years beginning on or after January 1, 2014, taxpayers are permitted to early adopt provisions for years beginning on or after January 1, 2012. The Company believes that the implementation of these regulations will have no material impact on its financial statements.

Reporting Segment Results of Operations

We evaluate our operating performance using our YRC Freight and Regional Transportation reporting segments:

- **YRC Freight** is the reporting segment for our transportation service providers focused on business opportunities in national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This unit includes our LTL subsidiary YRC Inc. and Reimer Express, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.
- **Regional Transportation** is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. The Regional Transportation companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

YRC Freight Results

YRC Freight represented 65% of our consolidated operating revenue for both the third quarter and first three quarters of 2013. The table below provides summary financial information for YRC Freight for the third quarter and first three quarters of 2013 and 2012:

	Third Quarter			First Three Quarters		
(in millions)	2013	2012	Percent Change	2013	2012	Percent Change
Operating revenue	$ 808.7	$ 819.5	(1.3)%	$ 2,360.1	$ 2,429.7	(2.9)%
Operating income (loss)	$ (9.7)	$ 2.8	NM*	$ (15.8)	$ (58.4)	72.9%
Operating ratio[a]	101.2%	99.7%	(1.5)pp	100.7%	102.4%	1.7pp

(a) pp represents the change in percentage points
*Not meaningful

Third Quarter of 2013 Compared to the Third Quarter of 2012

YRC Freight reported operating revenue of $808.7 million in the third quarter of 2013, a decrease of $10.8 million or 1.3% compared to the same period in 2012. The table below summarizes the key revenue metrics for the YRC Freight reporting segment for the third quarter of 2013 compared to the third quarter of 2012:

	Third Quarter		
	2013	**2012**	**Percent Change[b]**
Workdays	64.0	63.0	
Total picked up revenue (in millions) [a]	$ 803.6	$ 812.2	(1.1)%
Total tonnage (in thousands)	1,730	1,710	1.1 %
Total tonnage per day (in thousands)	27.03	27.15	(0.5)%
Total shipments (in thousands)	2,928	2,977	(1.7)%
Total shipments per day (in thousands)	45.75	47.26	(3.2)%
Total picked up revenue per hundred weight	$ 23.23	$ 23.74	(2.2)%
Total picked up revenue per shipment	$ 274	$ 273	0.6 %
Total weight per shipment (in pounds)	1,181	1,149	2.8 %

(in millions)	Third Quarter 2013		Third Quarter 2012	
(a)Reconciliation of operating revenue to total picked up revenue:				
Operating revenue	$	808.7	$	819.5
Change in revenue deferral and other		(5.1)		(7.3)
Total picked up revenue	$	803.6	$	812.2

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change based on unrounded figures and not rounded figures presented.

The decreases in the metrics above were primarily volume reductions and were driven by driver shortages during the summer months that caused declines in service throughout the network and challenges implementing our new optimized network.

Operating loss for YRC Freight was $9.7 million in the third quarter of 2013 compared to operating income of $2.8 million in the same period in 2012. Operating revenue in the third quarter of 2013 was lower by $10.8 million while total costs increased by $1.7 million. The cost increase was driven by an $8.6 million increase in purchased transportation, partially offset by a $5.6 million decrease in salaries, wages and employees' benefits.

- The $8.6 million increase in purchased transportation was driven by increased purchased rail transportation miles used largely in conjunction with our network optimization initiative.
- The $5.6 million decrease in salary, wages and employees' benefits in the third quarter of 2013 was primarily the result of a $2.8 million reduction in workers' compensation expense driven by safety initiatives and settlement activity that has reduced our outstanding claims and a $1.8 million decrease in salaries driven by changes in management related to our network optimization initiative, partially offset by higher overtime wages.

First Three Quarters of 2013 Compared to the First Three Quarters of 2012

YRC Freight reported operating revenue of $2,360.1 million in the first three quarters of 2013, a decrease of $69.6 million or 2.9% compared to the same period in 2012. The table below summarizes the key revenue metrics for the YRC Freight reporting segment for the first three quarters of 2013 compared to the first three quarters of 2012:

	First Three Quarters 2013		First Three Quarters 2012		Percent Change(b)
Workdays		190.5		190.5	
Total picked up revenue (in millions) (a)	$	2,358.1	$	2,423.0	(2.7)%
Total tonnage (in thousands)		5,045		5,209	(3.1)%
Total tonnage per day (in thousands)		26.48		27.34	(3.1)%
Total shipments (in thousands)		8,644		9,039	(4.4)%
Total shipments per day (in thousands)		45.37		47.45	(4.4)%
Total picked up revenue per hundred weight	$	23.37	$	23.26	0.5 %
Total picked up revenue per shipment	$	273	$	268	1.8 %
Total weight per shipment (in pounds)		1,167		1,152	1.3 %

(in millions)	First Three Quarters 2013		First Three Quarters 2012	
(a)Reconciliation of operating revenue to total picked up revenue:				
Operating revenue	$	2,360.1	$	2,429.7
Change in revenue deferral and other		(2.0)		(6.7)
Total picked up revenue	$	2,358.1	$	2,423.0

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change based on unrounded figures and not rounded figures presented.

The decreases in the metrics above were primarily volume reductions driven by challenges implementing our new optimized network as well as customer mix management decisions made during 2012.

Operating loss for YRC Freight was $15.8 million in the first three quarters of 2013 compared to $58.4 million operating loss in the same period in 2012. Operating revenue in the first three quarters of 2013 was lower by $69.6 million while total costs decreased by $112.2 million. The cost decreases consisted primarily of a $52.2 million reduction in salary, wages and employees' benefits, a $32.3 million decrease in operating expenses and supplies and a $22.3 million decrease in other operating expenses.

- The $52.2 million decrease in salary, wages and employees' benefits in the first three quarters of 2013 was primarily the result of a $19.3 million reduction in workers' compensation expense driven by safety initiatives and settlement activity that has reduced our outstanding claims, a $14.3 million decrease in wages driven primarily by fewer shipments and a $11.2 million reduction in benefits driven by lower expense for our single-employer pension plan.
- The $32.3 million decrease in operating expenses and supplies in the first three quarters of 2013 was primarily driven by lower fuel expenses of $15.9 million and a $1.5 million decrease in vehicle maintenance expenses.
- The $22.3 million decrease in other operating expenses in the first three quarters of 2013 was primarily driven by a $14.2 million decrease in our bodily injury and property damage expense due to our settlement initiatives and a $6.0 million decrease in cargo claims driven by favorable claim development compared to the first three quarters of 2012.

Regional Transportation Results

Regional Transportation represented 35% of consolidated revenue in both the third quarter and first three quarters of 2013. The table below provides summary financial information for Regional Transportation for the third quarter and first three quarters of 2013 and 2012:

	Third Quarter			First Three Quarters		
(in millions)	2013	2012	Percent Change	2013	2012	Percent Change
Operating revenue	$ 444.0	$ 417.3	6.4%	$ 1,297.6	$ 1,249.2	3.9%
Operating income	$ 20.0	$ 27.2	(26.5)%	$ 57.2	$ 61.6	(7.1)%
Operating ratio (a)	95.5%	93.5%	(2.0pp)	95.6%	95.1%	(0.5pp)

(a) pp represents the change in percentage points

Third Quarter of 2013 Compared to the Third Quarter of 2012

Regional Transportation reported operating revenue of $444.0 million for the third quarter of 2013, an increase of $26.7 million, or 6.4%, from the third quarter of 2012. The table below summarizes the key revenue metrics for the Regional Transportation reporting segment for the third quarter of 2013 compared to the third quarter of 2012:

	Third Quarter		
	2013	2012	Percent Change(b)
Workdays	62.5	63.0	
Total picked up revenue (in millions) (a)	$ 443.6	$ 417.6	6.2 %
Total tonnage (in thousands)	1,932	1,837	5.2 %
Total tonnage per day (in thousands)	30.91	29.15	6.0 %
Total shipments (in thousands)	2,676	2,540	5.4 %
Total shipments per day (in thousands)	42.82	40.32	6.2 %
Total picked up revenue per hundred weight	$ 11.48	$ 11.37	1.0 %
Total picked up revenue per shipment	$ 166	$ 164	0.8 %
Total weight per shipment (in pounds)	1,444	1,446	(0.2)%

(in millions)	Third Quarter 2013		Third Quarter 2012	
(a)Reconciliation of operating revenue to total picked up revenue:				
Operating revenue	$	444.0	$	417.3
Change in revenue deferral and other		(0.4)		0.3
Total picked up revenue	$	443.6	$	417.6

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change based on unrounded figures and not rounded figures presented.

The increases in the metrics above were primarily driven by volume growth at each of the regional carriers.

Operating income for Regional Transportation was $20.0 million for the third quarter of 2013, a decrease of $7.2 million from the same period in 2012, consisting of the $26.7 million increase in revenue offset by a $33.9 million increase in total costs. The increase in total costs was primarily driven by a $17.3 million increase in salary, wages and employees' benefits, a $6.7 million increase in operating expenses and supplies and a $5.6 million increase in other operating expenses.

- The $17.3 million increase in salary, wages and employees' benefits was primarily driven by a $9.5 million increase in wages driven by increased shipping volumes and a $4.0 million increase in workers' compensation expense driven by unfavorable development of existing claims.
- The $6.7 million increase in operating expenses and supplies was primarily driven by a $2.5 million increase in vehicle maintenance expense primarily driven by increased shipping volumes and our aging fleet and a $1.9 million increase in fuel expense driven by increased shipping volumes.
- The $5.6 million increase in other operating expenses was driven by a $4.2 million increase in our bodily injury and property damage expense due to unfavorable development of our existing claims.

First Three Quarters of 2013 Compared to the First Three Quarters of 2012

Regional Transportation reported operating revenue of $1,297.6 million for the first three quarters of 2013, an increase of $48.4 million, or 3.9%, from the first three quarters of 2012. The table below summarizes the key revenue metrics for the Regional Transportation reporting segment for the first three quarters of 2013 compared to the first three quarters of 2012:

	First Three Quarters 2013		First Three Quarters 2012		Percent Change[b]
Workdays		189.0		190.5	
Total picked up revenue (in millions) [a]	$	1,297.7	$	1,249.4	3.9 %
Total tonnage (in thousands)		5,733		5,609	2.2 %
Total tonnage per day (in thousands)		30.33		29.44	3.0 %
Total shipments (in thousands)		7,866		7,636	3.0 %
Total shipments per day (in thousands)		41.62		40.08	3.8 %
Total picked up revenue per hundred weight	$	11.32	$	11.14	1.6 %
Total picked up revenue per shipment	$	165	$	164	0.8 %
Total weight per shipment (in pounds)		1,458		1,469	(0.8)%

(in millions)	First Half 2013		First Half 2012	
(a)Reconciliation of operating revenue to total picked up revenue:				
Operating revenue	$	1,297.6	$	1,249.2
Change in revenue deferral and other		0.1		0.2
Total picked up revenue	$	1,297.7	$	1,249.4

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change is based on unrounded figures and not rounded figures presented.

The increases in the metrics above were primarily driven by volume growth at each of the regional carriers.

Operating income for Regional Transportation was $57.2 million for the first three quarters of 2013, a decrease of $4.4 million from the same period in 2012, consisting of the $48.4 million increase in revenue offset by a $52.8 million increase in total costs. The increase in total costs was primarily driven by a $33.9 million increase in salary, wages and employees' benefits, and a $12.5 million increase in operating expenses and supplies.

- The $33.9 million increase in salary, wages and employees' benefits was primarily driven by an $18.1 million increase in wages and a $6.4 million increase in benefits driven by increased shipping volumes.
- The $12.5 million increase in operating expenses and supplies was primarily driven by a $5.3 million increase in vehicle and facility maintenance expense primarily driven by increased shipping volumes.

Certain Non-GAAP Financial Measures

As discussed in the "Our Business" section, we use certain non-GAAP financial measures to assess performance. These measures should be considered in addition to the results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, our GAAP financial measures.

Consolidated Adjusted EBITDA

The reconciliation of operating income (loss) to adjusted EBITDA for the third quarter and first three quarters of 2013 and 2012 is as follows:

	Third Quarter		First Three Quarters	
(in millions)	2013	2012	2013	2012
Reconciliation of operating income (loss) to adjusted EBITDA:				
Operating income (loss)	$ 5.8	$ 27.3	$ 30.0	$ (5.9)
Depreciation and amortization	43.3	44.6	130.4	139.4
(Gains) losses on property disposals, net	1.3	(2.3)	(1.9)	(0.5)
Letter of credit expense	8.0	9.5	25.8	27.0
Restructuring professional fees	3.2	—	6.0	3.0
Permitted dispositions and other	0.1	(0.9)	—	(3.0)
Equity based compensation expense	0.5	0.9	4.5	3.0
Other nonoperating, net	0.2	(0.3)	3.0	1.2
Adjusted EBITDA	$ 62.4	$ 78.8	$ 197.8	$ 164.2

Consolidated Adjusted Free Cash Flow (Deficit)

The reconciliation of adjusted EBITDA to adjusted free cash flow (deficit) for the third quarter and first three quarters of 2013 and 2012 including the reconciliation to adjusted free cash flow (deficit) is as follows:

	Third Quarter		First Three Quarters	
(in millions)	2013	2012	2013	2012
Adjusted EBITDA	$ 62.4	$ 78.8	$ 197.8	$ 164.2
Total restructuring professional fees	(3.2)	—	(6.0)	(3.0)
Cash paid for interest	(33.2)	(31.3)	(90.4)	(91.6)
Cash paid for letter of credit fees	(11.0)	(9.6)	(26.0)	(28.6)
Working Capital cash flows excluding income tax, net	1.2	(68.8)	(89.2)	(97.2)
Net cash provided by (used in) operating activities before income taxes	16.2	(30.9)	(13.8)	(56.2)
Cash (paid) received for income taxes, net	(1.0)	(0.5)	10.8	8.2
Net cash provided by (used in) operating activities	15.2	(31.4)	(3.0)	(48.0)
Acquisition of property and equipment	(17.4)	(17.4)	(56.5)	(48.1)
Total restructuring professional fees	3.2	—	6.0	3.0
Adjusted Free Cash Flow (Deficit)	$ 1.0	$ (48.8)	$ (53.5)	$ (93.1)

Segment Adjusted EBITDA

The following represents adjusted EBITDA by segment for the third quarter and first three quarters of 2013 and 2012:

	Third Quarter		First Three Quarters	
(in millions)	2013	2012	2013	2012
Adjusted EBITDA by segment:				
YRC Freight	$ 24.2	$ 37.2	$ 87.8	$ 55.5
Regional Transportation	38.3	44.4	109.8	114.2
Corporate and other	(0.1)	(2.8)	0.2	(5.5)
Adjusted EBITDA	$ 62.4	$ 78.8	$ 197.8	$ 164.2

The reconciliation of operating income (loss), by segment, to adjusted EBITDA for the third quarter and first three quarters of 2013 and 2012 is as follows:

	Third Quarter		First Three Quarters	
YRC Freight segment (in millions)	2013	2012	2013	2012
Reconciliation of operating income (loss) to adjusted EBITDA:				
Operating income (loss)	$ (9.7)	$ 2.8	$ (15.8)	$ (58.4)
Depreciation and amortization	27.4	29.0	83.3	91.4
(Gains) losses on property disposals, net	0.9	(2.3)	(2.6)	(0.6)
Letter of credit expense	5.5	7.7	20.1	22.0
Other nonoperating expenses, net	0.1	—	2.8	1.1
Adjusted EBITDA	$ 24.2	$ 37.2	$ 87.8	$ 55.5

Regional Transportation segment (in millions)	Third Quarter 2013	Third Quarter 2012	First Three Quarters 2013	First Three Quarters 2012
Reconciliation of operating income to adjusted EBITDA:				
Operating income	$ 20.0	$ 27.2	$ 57.2	$ 61.6
Depreciation and amortization	15.9	15.6	47.0	47.4
Losses on property disposals, net	0.4	—	0.5	0.6
Letter of credit expense	1.9	1.6	4.9	4.6
Other nonoperating expenses, net	0.1	—	0.2	—
Adjusted EBITDA	$ 38.3	$ 44.4	$ 109.8	$ 114.2

Corporate and other segment (in millions)	Third Quarter 2013	Third Quarter 2012	First Three Quarters 2013	First Three Quarters 2012
Reconciliation of operating loss to adjusted EBITDA:				
Operating loss	$ (4.5)	$ (2.7)	$ (11.4)	$ (9.1)
Depreciation and amortization	—	—	0.1	0.6
(Gains) losses on property disposals, net	—	—	0.2	(0.5)
Letter of credit expense	0.6	0.2	0.8	0.4
Restructuring professional fees	3.2	—	6.0	3.0
Permitted dispositions and other	0.1	(0.9)	—	(3.0)
Equity based compensation expense	0.5	0.9	4.5	3.0
Other nonoperating income, net	—	(0.3)	—	0.1
Adjusted EBITDA	$ (0.1)	$ (2.8)	$ 0.2	$ (5.5)

Financial Condition/Liquidity and Capital Resources

Our principal sources of liquidity are cash and cash equivalents, available borrowings under our $400.0 million ABL facility and any prospective net operating cash flows from our operations. As of September 30, 2013, we had cash and cash equivalents and availability under the ABL facility totaling $233.7 million with a $388.7 million borrowing base under our ABL facility.

Our principal uses of cash are to fund our operations, including making contributions to our single-employer pension plans and various multi-employer pension funds, and to meet our other cash obligations, including paying cash interest and principal on our funded debt, letter of credit fees under our credit facilities and funding capital expenditures. For the first three quarters of 2013, our cash flow from operating activities used net cash of $3.0 million.

We have a considerable amount of indebtedness. As of September 30, 2013, we had $1,359.1 million in aggregate par value of outstanding indebtedness, which may increase over time as a portion of our indebtedness accrues paid-in-kind interest. Of that amount, $69.4 million matures on February 15, 2014, $325.5 million matures on September 30, 2014 and $664.7 million matures on March 31, 2015. We intend to restructure or refinance the portions of our debt that are scheduled to mature in September of 2014 and March of 2015, however, our recent operating results may have an adverse effect on our ability to complete such restructuring or refinancing. The refinancing of these debt obligations is outside of our control and there can be no assurance that such transaction will occur, or if it does occur, on what terms. Our Standard & Poor's credit rating as of September 30, 2013 was "CCC".

We also have considerable future funding obligations for our single-employer pension plans and various multi-employer pension funds. We expect our funding obligations for the remainder of the year for our single-employer pension plans and multi-employer pension funds will be $13.7 million and $22.5 million, respectively. In addition, we have, and will continue to have, substantial operating lease obligations. As of September 30, 2013, our minimum rental expense under operating leases for the remainder of the year is $13.3 million. As of September 30, 2013, our operating lease obligations through 2025 totaled $165.6 million and is expected to increase as we lease additional revenue equipment.

Our capital expenditures for the first three quarters of 2013 and 2012 were $56.5 million and $48.1 million, respectively. These amounts were principally used to fund replacement engines and trailer refurbishments for our revenue fleet, capitalized costs for our network facilities and technology infrastructure. Additionally, for the first three quarters of 2013, we entered into new operating lease commitments for revenue equipment for $44.9 million, payable over the average lease term of six years. In light of our liquidity needs, we have deferred certain capital expenditures and expect to continue to do so for the foreseeable future. We plan to procure substantially all of our new revenue equipment using operating leases for the remainder of 2013. As a result, the average age of our fleet is increasing, which may affect our maintenance costs and operational efficiency unless we are able to obtain suitable lease financing to meet our replacement equipment needs.

Credit Facility Covenants

On November 12, 2013, YRC Worldwide entered into an amendment to its amended and restated credit agreement (the "Credit Agreement Amendment") and its ABL facility (together the "Amendments"), which, among other things, resets future covenants regarding minimum Consolidated EBITDA, maximum Total Leverage Ratio and minimum Interest Coverage Ratio (as defined in Amendments, if applicable) until December 31, 2014 and resets the minimum cash balance requirement.

The covenant as of September 30, 2013 and the amended covenants for each of the remaining test periods are as follows:

Four Consecutive Fiscal Quarters Ending	Minimum Consolidated EBITDA	Maximum Total Leverage Ratio	Minimum Interest Coverage Ratio
September 30, 2013	$260,000,000	6.0 to 1.00	1.60 to 1.00
December 31, 2013	$245,000,000	5.7 to 1.00	1.50 to 1.00
March 31, 2014	$220,000,000	6.4 to 1.00	1.30 to 1.00
June 30, 2014	$225,000,000	6.5 to 1.00	1.30 to 1.00
September 30, 2014	$245,000,000	6.5 to 1.00	1.40 to 1.00
December 31, 2014	$260,000,000	6.2 to 1.00	1.40 to 1.00

The Credit Agreement Amendment resets the minimum available cash requirement by providing that the minimum cash requirement will be $100.0 million for the period from November 12, 2013 through December 31, 2013, $50.0 million for the period from January 1, 2014 through January 31, 2014 and $100.0 million for the period from February 1, 2014 thereafter at all times; provided that, if Pro Forma Consolidated EBITDA (described below) is greater than or equal to $375.0 million on or prior to February 1, 2014, the minimum available cash requirement will be $50.0 million at all times.

Further, the Credit Agreement Amendments, among other things, (i) includes a new definition of Pro Forma Consolidated EBITDA added for the purposes of the minimum available cash requirement as described above to be calculated by adding to Consolidated EBITDA, subject to certain limitations, the amount of cost savings, operating expense reductions, other operating improvements and initiatives and synergies associated with any restructuring transactions (and implementation thereof) (but not to exceed the actual amount deducted from revenues in determining Consolidated Net Income for any such costs and expenses), in the case of each such restructuring transaction (and implementation thereof), occurring on or after November 12, 2013, and projected by us in good faith to be reasonably anticipated to be realizable within ninety (90) days of the date thereof; (ii) increases the interest rate and commitment fee payable under our credit agreement by 50 basis points; (iii) waives the requirement to continue to cash collateralize letters of credit with existing net cash proceeds received from asset sales up to $12.5 million (including release of such cash proceeds); (iv) requires payment of an amendment fee to each consenting lender of 1.0% of their outstanding exposure; and (v) adds a new “Event of Default” that requires the 6% Convertible Senior Notes to be repaid, refinanced, replaced, restructured or extended on or prior to February 1, 2014 using either cash generated from the sale of qualified equity by the Borrower, certain qualified equity issuances by the Borrower or certain permitted indebtedness.

On November 12, 2013, YRC Receivables, LLC, a wholly-owned subsidiary of the Company, entered into an amendment to the ABL facility, which, among other things, resets the minimum Consolidated EBITDA covenant (as defined in the ABL facility) for each of the remaining test periods in a manner identical to the amendment of minimum Consolidated EBITDA in the amended and restated credit agreement and increases the interest rate payable under the ABL Facility by 50 basis points. The Company agreed to pay all consenting lenders a fee equal to 1.0% of their outstanding loans and unused commitments.

Consolidated EBITDA, as defined in our Amendments, is a non-GAAP measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and further adjusted for letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including permitted restructuring professional fees, certain one-time cash restructuring charges occurring on or after November 12, 2013 in an aggregate amount not to exceed $40.0 million and results of permitted dispositions and discontinued operations.

Our adjusted EBITDA for the four quarters ended September 30, 2013 was $274.8 million compared to the covenant requirement of $260 million.

Our minimum cash balance as of September 30, 2013 was $181.2 million.

Risks and Uncertainties Regarding Future Liquidity Including Our Ability to Continue as a Going Concern

In the third quarter of 2013, driven, in part, by a decline of our service levels due to driver shortages and transition issues related to the network optimization plan implemented in May 2013, our YRC Freight reporting segment experienced decreases in our financial performance compared to our management forecast. As a result, we significantly decreased our expectations regarding our future financial performance and entered into the Amendments described above.

The Amended Credit Agreement requires us to repay, refinance, replace, restructure or extend our 6% Convertible Senior Notes on or prior to February 1, 2014 using either cash generated from the sale of qualified equity by the Borrower, certain qualified equity issuances by the Borrower or certain permitted indebtedness. These actions with regard to the 6% Convertible Senior Notes are outside of our control and, as a result, we cannot provide any assurances that we will be successful in taking these actions. In the event that we are unable to take these actions we will need to refinance or restructure our debt or seek an amendment or waiver from our lenders or otherwise we will be in default under our Amended Credit Agreement, which would enable lenders thereunder to accelerate the repayment of amounts outstanding and exercise remedies with respect to collateral. In the event that our lenders under our Amended Credit Agreement demand payment, we will not have sufficient cash to repay such indebtedness. In addition, a default under our credit facilities or the lenders exercising their remedies thereunder would trigger cross-default provisions in our other indebtedness and certain other operating agreements.

We do not expect our liquidity will allow us to retire our borrowings as they mature in September of 2014 and thereafter and therefore we will be required to refinance or restructure the portions of our debt that matures in September of 2014 and March of 2015. Our recent and forecasted operating results may have an adverse effect on our ability to complete such restructuring or refinancing. The refinancing or restructuring of these debt obligations is outside of our control and there can be no assurance that such transaction will occur, or if it does occur, on what terms.

Our ability to continue as a going concern over the next twelve months is dependent on a number of factors, many of which are outside of our control. In the near term, we must repay, refinance, replace, restructure or extend our 6% Convertible Senior Notes prior to February 1, 2014 in order to comply with the terms of our Amended Credit Agreement and thereafter we will need to refinance or restructure our other debt obligations prior to their upcoming maturities in 2014 and 2015. Other factors include:

- achieving forecasted results in order to comply with covenants and other terms of our credit facilities so as to have access to the borrowings available to us under our credit facilities;

- securing suitable lease financing arrangements to replace revenue equipment;

- generating operating cash flows that are sufficient to meet the minimum cash balance requirement under our credit facilities, cash requirements for pension contributions to our single-employer pension plan and our multi-employer pension funds, cash interest and principal payments on our funded debt, payments on our equipment leases, letter of credit fees under our credit facilities and for capital expenditures or additional lease payments for new revenue equipment.

There can be no assurance that management will be successful or that such plans will be achieved.

These conditions raise significant uncertainty about our ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of the foregoing uncertainties.

Cash Flows

Operating Cash Flow

Net cash used in operating activities was $3.0 million in the first three quarters of 2013 compared to $48.0 million in the first three quarters of 2012. This decrease in cash utilization is primarily attributable to a more favorable working capital change in other operating liabilities and a $17.2 million year-over-year reduction in net losses, partially offset by an unfavorable working capital change in accounts receivable. The favorable working capital change in other operating liabilities were driven by favorable pension and post-retirement and wages payable accruals. The unfavorable working capital change in accounts receivable was driven by increases in our days sales outstanding due to a change in customer mix.

Investing Cash Flow

Investing cash flows decreased by $46.3 million during the first three quarters of 2013 compared to the same period in 2012, largely driven by a reduction in proceeds from asset sales in 2013 compared to 2012. The $8.4 million increase in the acquisition of property and equipment is related to the additions of replacement engines and trailer refurbishments as well as capitalized costs for our network facilities and technology infrastructure.

Financing Cash Flow

Net cash used in financing activities for the first three quarters of 2013 was $6.3 million compared to net cash provided by financing activities of $19.5 million in the first three quarters of 2012. The use of cash during the first three quarters of 2013 was driven by $6.6 million of repayments on our long-term debt. During the first three quarters of 2012, we increased the net borrowings under our ABL facility by $45.0 million, which was partially offset by $20.4 million of repayments on other long-term debt from asset sale proceeds and $5.1 million in debt issuance costs.

Contractual Obligations and Other Commercial Commitments

The following sections provide aggregated information regarding our contractual cash obligations and other commercial commitments as of September 30, 2013.

Contractual Cash Obligations

The following table reflects our cash outflows that we are contractually obligated to make as of September 30, 2013:

	Payments Due by Period				
(in millions)	Less than 1 year	1-3 years	3-5 years	After 5 years	Total
Balance sheet obligations:[a]					
ABL borrowings, including interest	$ 374.3	$ —	$ —	$ —	$ 374.3
Long-term debt, including interest	101.4	592.5	0.2	—	694.1
Lease financing obligations	41.5	84.5	86.5	61.8	274.3 [b]
Multi-employer pension deferral obligations, including interest	8.7	129.1	—	—	137.8
Workers’ compensation, property damage and liability claims obligations	100.1	118.1	58.3	113.9	390.4 [c]
Off balance sheet obligations:					
Operating leases	53.7	63.7	27.3	20.9	165.6
Letter of credit fees	31.4	15.7	—	—	47.1 [d]
Capital expenditures	3.3	—	—	—	3.3
Total contractual obligations	$ 714.4	$ 1,003.6	$ 172.3	$ 196.6	$ 2,086.9

(a) Total liabilities for unrecognized tax benefits as of September 30, 2013 were $27.8 million and are classified on our consolidated balance sheet within “Claims and Other Liabilities” and are excluded from the table above.
(b) The $274.3 million of lease financing obligation payments represent interest payments of $200.7 million and principal payments of $73.6 million. The remaining principle obligation is offset by the estimated book value of leased property at the expiration date of each lease agreement.
(c) The workers' compensation, property damage and liability claims obligations represent our estimate of future payments for these obligations, not all of which are contractually required.
(d) The letter of credit fees are related to the cash collateral for our outstanding letters of credit on our previous ABS facility, as well as the amended and restated credit agreement outstanding letters of credit.

During the nine months ended September 30, 2013, we entered into new operating leases for revenue equipment of $44.9 million.

Other Commercial Commitments

The following table reflects other commercial commitments or potential cash outflows that may result from a contingent event, such as a need to borrow short-term funds due to insufficient free cash flow.

	Amount of Commitment Expiration Per Period				
(in millions)	Less than 1 year	1-3 years	3-5 years	After 5 years	Total
Unused line of credit					
ABL Facility[(a)]	$ 63.2	$ —	$ —	$ —	$ 63.2
Letters of credit	—	364.6 [(b)]	—	—	364.6
Surety bonds	120.0	8.4	—	—	128.4
Total commercial commitments	$ 183.2	$ 373.0	$ —	$ —	$ 556.2

(a) We hold in restricted escrow $90.1 million.
(b) Under our credit facilities, we hold in restricted escrow $12.5 million of cash related to the net cash proceeds from certain asset sales. This restricted escrow provides additional cash collateral for our outstanding letters of credit. On November 12, 2013 we entered into an amendment to our amended and restated credit agreement that permits the return of this restricted escrow.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are primarily exposed to the market risk associated with unfavorable movements in interest rates, foreign currencies, and fuel price volatility. The risk inherent in our market risk sensitive instruments and positions is the potential loss or increased expense arising from adverse changes in those factors. There have been no material changes to our market risk policies or our market risk sensitive instruments and positions as described in our annual report on Form 10-K for the year ended December 31, 2012.

Item 4. Controls and Procedures

As required by the Exchange Act, we maintain disclosure controls and procedures designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Our management, with the participation of our principal executive and financial officers, has evaluated our disclosure controls and procedures as of September 30, 2013 and have concluded that our disclosure controls and procedures were effective as of September 30, 2013.

There were no changes in our internal control over financial reporting that occurred during the fiscal quarter ended September 30, 2013 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We discuss legal proceedings in the “Commitments, Contingencies and Uncertainties” note to our consolidated financial statements included with this quarterly report on Form 10-Q.

Item 1A. Risk Factors

In addition to the risk factors set forth below, you should carefully consider the risk factors discussed in Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2012, which could materially affect our business, financial condition or results of operations.

Our ability to make payments on and to refinance our indebtedness and to fund working capital needs and capital expenditures will depend on our ability to generate cash in the future.

Our ability to generate cash in the future, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other factors that are beyond our control. If we are unable to meet our debt service obligations under our existing and future indebtedness, the holders of such indebtedness would have the right, following any applicable cure period, to cause the entire principal amount thereof to become immediately due and payable. If our outstanding indebtedness was accelerated, our assets will likely not be sufficient to repay in full the money owed.

We have a considerable amount of indebtedness, of which $69.4 million matures on February 15, 2014, $325.5 million matures on September 30, 2014 and $664.7 million matures on March 31, 2015. We intend to restructure or refinance the portions of our debt which will mature in September of 2014 and March of 2015. Our ability to refinance our indebtedness will depend on the condition of the capital markets and our financial condition. Our recent operating results may have an adverse effect on our ability to complete such restructuring or refinancing. The refinancing of these debt obligations is outside of our control and there can be no assurance that such transactions will occur, or if it does occur, on what terms. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments, including the indentures governing the 10% Series A Convertible Senior Secured Notes due 2015 (“Series A Notes”), the 10% Series B Convertible Senior Secured Notes due 2015 (“Series B Notes”, together with the Series A Notes, the “convertible notes”), and the credit agreement governing our credit facilities, may limit or prevent us from taking any of these actions.

In connection with its audit of our financial statements for the year ending December 31, 2013, our independent registered public accounting firm will analyze our liquidity and our ability to continue as a going concern, taking into consideration, among other things, our need to restructure or refinance our near-term maturing debt. In the event we are not able to restructure or refinance our near-term maturing debt before filing our 2013 Form 10-K, our independent registered public accounting firm’s audit report accompanying our audited financial statements for the year ending December 31, 2013 may include “going concern” language. Such “going concern” language could harm our credit rating and our ability to refinance our near-term maturing debt or otherwise obtain additional financing on acceptable terms. The occurrence of any of these events could have an adverse effect, which could be material, on our financial condition and liquidity.

In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness on commercially reasonable terms or at all. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on our business, financial condition, liquidity and results of operations.

We incurred net losses in each of fiscal 2012, 2011 and 2010 and for the nine-month period ended September 30, 2013. We may not obtain the projected benefits and cost savings from productivity and efficiency initiatives. If we incur future net losses we may need additional capital to meet our future cash requirements and execute our business strategy.

Our business experienced net losses in each of fiscal 2012, 2011 and 2010 and for the nine-month period ended September 30, 2013. Net losses in fiscal 2012, 2011 and 2010 were $136.5 million, $354.4 million and $327.8 million, respectively. Net loss was $84.0 million for the nine-months ended September 30, 2013. Contributing factors to our net losses in fiscal 2012, 2011 and 2010 were the challenges facing transportation services generally as a result of the prolonged slow economic recovery, competitive pressures in the LTL industry stemming from excess capacity that resulted in lower profit margins, interest expense and financing costs, and our operating cost structure. In each of 2009 and 2011, we implemented financial restructurings to improve our balance sheet and to provide additional operating liquidity. Since our restructuring in 2011, our senior management team and board of directors have put strategies in place that are focused on driving productivity and efficiency improvements. These efforts have been concentrated on improving pricing and shipping volumes as well as customer mix, redeploying shared services and, in turn, driving more autonomy, responsibility and accountability to our operating companies, streamlining operations and our transportation network, and divesting non-core assets. There is no assurance that these changes and improvements will be successful, that their implementation will have a positive impact on our operating results or that we will not have to initiate additional changes and improvements in order to achieve the projected benefits and cost savings. For example, our recently reported operating results have been adversely affected by driver shortages and challenges in implementing our network optimization. If we incur future net losses, we may experience liquidity challenges and we may need to raise additional capital to meet our future cash requirements and to execute our business strategy.

We face significant liquidity challenges in the near term, which could adversely affect our financial condition.

Our ability to continue as a going concern over the next twelve months is dependent on a number of factors, many of which are outside of our control. In the near term, we must repay or refinance our 6% Convertible Senior Notes prior to February 1, 2014 in order to comply with the terms of our Amended Credit Agreement and thereafter we will need to refinance or restructure our other debt obligations prior to their upcoming maturities in 2014 and 2015. Other factors include:

- achieving forecasted results in order to comply with covenants and other terms of our credit facilities so as to have access to the borrowings available to us under our credit facilities;

- securing suitable lease financing arrangements to replace revenue equipment;

- generating operating cash flows that are sufficient to meet the minimum cash balance requirement under our credit facilities, cash requirements for pension contributions to our single-employer pension plan and our multi-employer pension funds, cash interest and principal payments on our funded debt, payments on our equipment leases, letter of credit fees under our credit facilities and for capital expenditures or additional lease payments for new revenue equipment.

There can be no assurance that management will be successful or that such plans will be achieved.

A failure to satisfy our short-term liquidity needs would materially and adversely affect our financial condition and our ability to continue to operate our business in the ordinary course.

Item 5. Other Information

Credit Agreement Amendment

On November 12, 2013, the Company entered into Amendment No. 3 (the “Credit Agreement Amendment”) to the Amended and Restated Credit Agreement dated as of July 22, 2011 (as amended, modified or supplemented, the “Credit Agreement”), among the Company, certain of its subsidiaries, the lenders that are parties thereto (the “Lenders”) and JPMorgan Chase Bank, National Association, as administrative agent (“Administrative Agent”). The Credit Agreement Amendment also amends the existing subsidiary guarantee to exclude certain swap obligations from the guarantee and related security. Capitalized terms used in this Item 5 that are not otherwise defined have the meanings assigned to them in the Credit Agreement.

The Credit Agreement Amendment provides for an increase in the “Applicable Rate” by 0.50%, which results in a eurodollar margin for eurodollar term loans of 7.00% per annum, a commitment fee of 8.00% per annum and an alternative base rate margin for term loans of 6.00% per annum.

The Credit Agreement Amendment also amends the definition of “Consolidated EBITDA” to include new add backs for (i) fees, costs and expenses required to be paid in connection with the Credit Agreement Amendment, the Omnibus Amendment (as defined below) and arising as a result of the terms of the Contribution Deferral Agreement (as defined in the Credit Agreement) and (ii) one time restructuring charges incurred on or after November 12, 2013 in an aggregate amount not to exceed $40,000,000, and includes a new definition of “Pro Forma Consolidated EBITDA” to provide that for purposes of the liquidity covenant, Consolidated EBITDA shall be calculated by adding to Consolidated EBITDA the amount of cost savings, operating expense reductions, other operating improvements and initiatives and synergies associated with any restructuring transactions (and implementation thereof) (but not to exceed the actual amount deducted from revenues in determining Consolidated Net Income for any such costs and expenses), in the case of each such restructuring transaction (and implementation thereof), occurring on or after November 12, 2013, and projected by the Company in good faith to be reasonably anticipated to be realizable within ninety (90) days of the date thereof (which will be added to Consolidated EBITDA as so projected until fully realized and calculated on a pro forma basis as though such cost savings, operating expense reductions, other operating improvements and initiatives and synergies had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; provided that, (i) such cost savings are reasonably identifiable and factually supportable (in the good faith determination of the Company**)** and (ii) to the extent that such cost savings, operating expense reductions, other operating improvements and initiatives and synergies are achieved through work rules under the IBT MOU, such cost savings, operating expense reductions, other operating improvements and initiatives and synergies shall be limited to ninety percent (90%) of the amount identified by the Company in respect thereof. Pro Forma Consolidated EBITDA shall be calculated on a pro forma basis as of the last day of the most recently ended quarter for which financial statements were required to have been delivered pursuant to Section 5.01(b) of the Credit Agreement in respect of the last twelve (12) months then ended.

The Credit Agreement Amendment also permits a going concern qualification or exception in the audit report to our financial statements for the year ending December 31, 2013.

The Credit Agreement Amendment resets several financial covenant levels as set forth below.

Total Leverage Ratio (as defined in the Credit Agreement):

Test Period Ending	Maximum Total Leverage Ratio
December 31, 2013	5.7 to 1.00
March 31, 2014	6.4 to 1.00
June 30, 2014	6.5 to 1.00
September 30, 2014	6.5 to 1.00
December 31, 2014	6.2 to 1.00

Interest Coverage Ratio (as defined in the Credit Agreement):

Test Period Ending	Minimum Interest Coverage Ratio
December 31, 2013	1.50 to 1.00
March 31, 2014	1.30 to 1.00
June 30, 2014	1.30 to 1.00
September 30, 2014	1.40 to 1.00
December 31, 2014	1.40 to 1.00

Consolidated EBITDA (as defined in the Credit Agreement), tested on a four fiscal quarter basis for the following period ending dates:

Four Consecutive Fiscal Quarter Period Ending	Minimum Consolidated EBITDA
December 31, 2013	$245,000,000
March 31, 2014	$220,000,000
June 30, 2014	$225,000,000
September 30, 2014	$245,000,000
December 31, 2014	$260,000,000

The Credit Agreement Amendment resets the minimum available cash requirement by providing that the minimum available cash will be $100,000,000 for the period from November 12, 2013 through December 31, 2013, $50,000,000 for the period from January 1, 2014 through January 31, 2014 and $100,000,000 for the period from February 1, 2014 thereafter at all times; provided that, if Pro Forma Consolidated EBITDA (described below) is greater than or equal to $375,000,000 million on or prior to February 1, 2014, the minimum available cash requirement will be $50,000,000 at all times.

The Credit Agreement Amendment added a new Event of Default that requires the 6% Convertible Senior Notes to be repaid, refinanced, replaced, restructured or extended on or prior to February 1, 2014 using either cash generated from the sale of qualified equity by the Borrower, certain qualified equity issuances by the Borrower or certain permitted indebtedness.

The Credit Agreement Amendment includes a waiver of the requirement to continue to cash collateralize letters of credit with existing net cash proceeds received from asset sales up to $12.5 million (including release of such cash proceeds).

Amendments to Asset-Backed Credit Agreement and Receivables Sale Agreement

On November 12, 2013, the Company, YRCW Receivables LLC ("Receivables") and YRC Inc., USF Reddaway Inc. and USF Holland Inc. (each of YRC Inc., USF Reddaway Inc. and USF Holland Inc. an "Originator" and collectively, the "Originators"), JP Morgan Chase Bank, N.A., as administrative agent (the "ABL Administrative Agent") and certain financial institutions entered into an Omnibus Amendment (the "Omnibus Amendment") that amended each of (i) that certain Credit Agreement dated as of July 22, 2011 by and among the Company, as servicer, Receivables, as borrower, the lenders party thereto and the ABL Administrative Agent (as amended, modified or supplemented, the "ABL Credit Agreement") and (ii) that certain Receivables Sale Agreement dated as of July 22, 2011 among the Originators, the Company, as servicer and Receivables, as buyer (as amended, modified or supplemented, the "Sale Agreement").

The Omnibus Amendment effects changes to the ABL Credit Agreement and the Sale Agreement, as applicable, which are substantially consistent (as applicable) other than with respect to liquidity with the changes effected to the Credit Agreement by the Credit Agreement Amendment.

Item 6. Exhibits

10.1*	Amendment No. 3 to Amended and Restated Credit Agreement, by and among the Company, as borrower, JPMorgan Chase Bank, National Association, as administrative agent, and the lenders party thereto.
10.2*	Amendment No. 4 to Credit Agreement, by and among YRCW Receivables LLC, as borrower, and the lenders party thereto.
31.1*	Certification of James L. Welch filed pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Jamie G. Pierson filed pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of James L. Welch furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Jamie G. Pierson furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase
101.DEF**	XBRL Taxonomy Extension Definition Linkbase
101.LAB**	XBRL Taxonomy Extension Label Linkbase
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase

* Indicates documents filed herewith

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

YRC WORLDWIDE INC.

Date: November 12, 2013	/s/ James L. Welch
	James L. Welch
	Chief Executive Officer
Date: November 12, 2013	/s/ Jamie G. Pierson
	Jamie G. Pierson
	Executive Vice President and
	Chief Financial Officer

EXECUTION COPY

AMENDMENT NO. 3

Dated as of November 12, 2013

to

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of July 22, 2011

THIS AMENDMENT NO. 3 ("Amendment") is made as of November 12, 2013 by and among (i) YRC Worldwide Inc. (the "Borrower"), (ii) each of the Subsidiaries of the Borrower listed on the signature pages hereof (each a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors" and, collectively with the Borrower, the "Loan Parties"), (iii) the financial institutions listed on the signature pages hereof and (iv) JPMorgan Chase Bank, National Association, as Administrative Agent (the "Administrative Agent"), under that certain Amended and Restated Credit Agreement dated as of July 22, 2011 by and among the Borrower, the Lenders and the Administrative Agent (as amended, amended and restated, restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, reference is made to the Second Amended and Restated Subsidiary Guarantee Agreement, dated as of July 22, 2011, by and among the Subsidiary Guarantors, the other "Subsidiary Guarantors" party thereto from time to time and the Administrative Agent (as amended, amended and restated, restated, supplemented or otherwise modified prior to the date hereof, the "Subsidiary Guarantee Agreement");

WHEREAS, the Loan Parties have requested that the Lenders and the Administrative Agent agree to an amendment to the Credit Agreement and the Subsidiary Guarantee Agreement; and

WHEREAS, the Loan Parties, the Lenders party hereto and the Administrative Agent have agreed to such amendment on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Loan Parties, the Lenders party hereto and the Administrative Agent have agreed to enter into this Amendment.

1. Amendments to Credit Agreement. Effective as of the date of satisfaction or waiver of the conditions precedent set forth in Section 4 below, the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended to insert the following new definitions therein in the appropriate alphabetical order and, where applicable, replace the corresponding previously existing definitions, in each case as follows:

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“ECP” means an “eligible contract participant” as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the Securities and Exchange Commission.

“Excluded Swap Obligation” means, with respect to any Loan Party, any Specified Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Loan Party of, or the grant by such Loan Party of a security interest to secure, such Specified Swap Obligation (or any Guarantee or obligations in respect thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party’s failure for any reason to constitute an ECP at the time the Guarantee of such Loan Party or the grant of such security interest becomes effective with respect to such Specified Swap Obligation. If a Specified Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Specified Swap Obligation that is attributable to swaps for which such obligation or security interest is or becomes illegal or unlawful.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

“OFAC” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“Pro Forma Consolidated EBITDA” shall mean Consolidated EBITDA plus the amount of cost savings, operating expense reductions, other operating improvements and initiatives and synergies associated with any restructuring transactions (and implementation thereof) (but not to exceed the actual amount deducted from revenues in determining Consolidated Net Income for any such costs and expenses), in the case of each such restructuring transaction (and implementation thereof), occurring on or after November 12, 2013, and projected by the Borrower in good faith to be reasonably anticipated to be realizable within ninety (90) days of the date thereof (which will be added to Consolidated EBITDA as so projected until fully realized and calculated on a pro forma basis as though such cost savings, operating expense reductions, other operating improvements and initiatives and synergies had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; provided that, (i) such cost savings are reasonably identifiable and factually supportable (in the good faith determination of the Borrower) and (ii) to the extent that such cost savings, operating expense reductions, other operating improvements and initiatives and synergies are achieved through adjustments to work rules under the IBT MOU, such cost savings, operating expense reductions, other operating improvements and initiatives and synergies shall be limited to ninety percent (90%) of the amount identified by the Borrower in respect thereof. Pro Forma Consolidated EBITDA shall be calculated on a pro forma basis as of the last day of the most recently ended quarter for which financial statements were required to have been delivered pursuant to Section 5.01(b) in respect of the last twelve (12) months then ended.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Sanctioned Country" means, at any time, a country or territory which is the subject or target of any Sanctions.

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

"Secured Obligations" means all Obligations, together with all Swap Obligations and Banking Services Obligations owing to the Administrative Agent, one or more Lenders or their respective Affiliates; provided that the definition of "Secured Obligations" shall not create or include any guarantee by any Loan Party of (or grant of security interest by any Loan Party to support, as applicable) any Excluded Swap Obligations of such Loan Party for purposes of determining any obligations of any Loan Party.

"Specified Swap Obligation" means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act or any rules or regulations promulgated thereunder.

(b) The definition of "Applicable Rate" appearing in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"Applicable Rate" means, for any day, with respect to any Eurodollar Term Loan, ABR Loan or with respect to the commitment fees payable hereunder, or with respect to any Letter of Credit participation fee under Section 2.13(b), as the case may be, the applicable rate per annum set forth below under the caption "Eurodollar Spread for Eurodollar Term Loans", "Commitment Fee Rate" or "ABR Spread for Term Loans", as the case may be:

Eurodollar Spread for Eurodollar Term Loans	Commitment Fee Rate	ABR Spread for Term Loans
7.00 %	8.00%	6.00%

(c) The first paragraph of the definition of “Consolidated EBITDA” appearing in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

> “Consolidated EBITDA” shall mean Consolidated Net Income plus, to the extent deducted from revenues in determining Consolidated Net Income, without duplication, (a) Consolidated Interest Expense, (b) expense for taxes paid or accrued, (c) depreciation (including that applied to the Borrower’s equity method investments), (d) amortization (including that applied to the Borrower’s equity method investments), (e) extraordinary, non-cash charges, expenses or losses incurred other than in the ordinary course of business, (f) non-recurring (including non-recurring and unusual) non-cash charges, expenses or losses (including non-cash impairment charges) incurred other than in the ordinary course of business, (g) non-cash expenses related to stock based compensation or stock appreciation rights, (h) the actual aggregate amount of transaction and restructuring professional fees paid by the Borrower and its Subsidiaries during such four fiscal quarters, (i) to the extent applicable charges, expenses and losses incurred in respect of the transaction consummated pursuant to the Project Delta Purchase Agreement, (j) deferred financing, legal and accounting costs with respect to the Borrower’s indebtedness that are charged to non-interest expense on the Borrower’s income statement, (k) fees, costs and expenses required to be paid in connection with that certain Amendment No. 3 to this Agreement dated as of November 12, 2013 and contemporaneous amendment to the ABL Credit Agreement, including without limitation any fees, costs and expenses required to be paid as result thereof under the terms of the Contribution Deferral Agreement, and (l) one time cash restructuring charges incurred on or after November 12, 2013 in an aggregate amount not to exceed $40,000,000, minus, to the extent included in Consolidated Net Income, (m) interest income, (n) income tax credits and refunds (to the extent not netted from tax expense), (o) any cash payments made during such period in respect of items described in clauses (e), (f) or (g) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were incurred, (p) any income or gains resulting from the early retirement, redemption, defeasance, repayment or similar actions in respect of Indebtedness, and (q) extraordinary, unusual or non-recurring income or gains realized other than in the ordinary course of business, all calculated for the Borrower and its Subsidiaries in accordance with GAAP on a consolidated basis.

(d) The definition of “Excluded Taxes” appearing in Section 1.01 of the Credit Agreement is hereby amended to (i) delete the “and” at the end of clause (b) thereof, (ii) delete the reference to “(including FATCA)” appearing clause (c) thereof, (iii) replace the period appearing at the end of clause (c) thereof with “; and” and (iv) insert a new clause (d) therein immediately following clause (c) thereof as follows:

(d) any U.S. Federal withholding Taxes imposed under FATCA.

(e) Section 2.16(a) of the Credit Agreement is hereby amended to insert a reference to “liquidity,” immediately after the reference to “special deposit,” appearing in clause (i) thereof.

(f) Section 2.16(b) of the Credit Agreement is hereby amended to (i) insert the words “or liquidity” immediately after the first reference to “capital” appearing therein and (ii) insert the words “and liquidity” immediately after the reference to “capital adequacy” appearing therein.

(g) Section 2.19(f) of the Credit Agreement is hereby amended to insert the following as a new sentence immediately following the first sentence thereof:

Notwithstanding the foregoing, amounts received from any Loan Party shall not be applied to any Excluded Swap Obligation of such Loan Party.

(h) The Credit Agreement is hereby amended to insert a new Section 3.18 immediately following Section 3.17 of the Credit Agreement as follows:

SECTION 3.18. Anti-Corruption Laws and Sanctions. The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance in all material respects by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and to the knowledge of the Borrower its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Subsidiary or to the knowledge of the Borrower or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, or use of proceeds will violate Anti-Corruption Laws or applicable Sanctions in any material respect.

(i) Section 5.01(a)(i) of the Credit Agreement is amended by inserting the following after “December 31, 2011” and immediately prior to “, without a going concern”: “and the auditors’ report delivered in 2014 in respect of the fiscal year ending December 31, 2013”.

(j) Section 5.07 of the Credit Agreement is hereby amended to insert a new sentence at the end thereof as follows:

The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(k) Section 6.07(a) of the Credit Agreement is hereby restated in its entirety as follows:

(a) Maximum Total Leverage Ratio. The Borrower will not permit the Total Leverage Ratio as of the end of the Test Period ending as of the end of each of its fiscal quarters set forth below to exceed the applicable ratio set forth below:

Test Period Ending	Maximum Total Leverage Ratio
March 31, 2012	9.0 to 1.00
June 30, 2012	10.0 to 1.00
September 30, 2012	9.6 to 1.00
December 31, 2012	8.6 to 1.00
March 31, 2013	7.4 to 1.00
June 30, 2013	6.5 to 1.00
September 30, 2013	6.0 to 1.00
December 31, 2013	5.7 to 1.00
March 31, 2014	6.4 to 1.00
June 30, 2014	6.5 to 1.00
September 30, 2014	6.5 to 1.00
December 31, 2014	6.2 to 1.00

(l) Section 6.07(b) of the Credit Agreement is hereby restated in its entirety as follows:

(b) Minimum Interest Coverage Ratio. The Borrower will not permit the Interest Coverage Ratio as of the end of the Test Period ending as of the end of each of its fiscal quarters set forth below to be less than the applicable ratio set forth below:

Test Period Ending	Minimum Interest Coverage Ratio
March 31, 2012	1.00 to 1.00
June 30, 2012	1.00 to 1.00
September 30, 2012	0.95 to 1.00
December 31, 2012	1.05 to 1.00
March 31, 2013	1.20 to 1.00
June 30, 2013	1.45 to 1.00
September 30, 2013	1.60 to 1.00
December 31, 2013	1.50 to 1.00
March 31, 2014	1.30 to 1.00
June 30, 2014	1.30 to 1.00
September 30, 2014	1.40 to 1.00
December 31, 2014	1.40 to 1.00

(m) Section 6.07(d) of the Credit Agreement is hereby restated in its entirety as follows:

(d) Minimum Consolidated EBITDA. The Borrower will not permit Consolidated EBITDA for any four consecutive fiscal quarter period ending as of the end of each of its fiscal quarters set forth below to be less than the amount set forth opposite such period:

Four Consecutive Fiscal Quarter Period Ending	Minimum Consolidated EBITDA
December 31, 2013	$245,000,000
March 31, 2014	$220,000,000
June 30, 2014	$225,000,000
September 30, 2014	$245,000,000
December 31, 2014	$260,000,000

(n) The Credit Agreement is hereby amended to insert a new Section 6.20 immediately following Section 6.19 of the Credit Agreement as follows:

SECTION 6.20. Anti-Corruption Laws and Sanctions. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (iii) in any manner that would result in the violation in any material respect of any Sanctions applicable to any party hereto.

(o) Clause (t) of Article VII is hereby restated in its entirety as follows:

(t) The 6% Convertible Senior Notes have not been repaid, refinanced, replaced, restructured or extended on or prior to February 1, 2014 ("Permitted 6% Refinancing"); provided, that any such Permitted 6% Refinancing is accomplished solely with any combination of (i) the Net Cash Proceeds from the sale or issuance of Equity Interests of the Borrower (other than a sale or issuance to any of its Subsidiaries and other than Equity Interests that mature or are mandatorily redeemable, pursuant to a sinking fund obligation or otherwise on or prior to February 1, 2019 (or are exchangeable for Equity Interests that so mature or are mandatorily redeemable)), (ii) Equity Interests of the Borrower (other than a sale or issuance to any of its Subsidiaries and other than Equity Interests that mature or are mandatorily redeemable, pursuant to a sinking fund obligation or otherwise on or prior to February 1, 2019 (or are exchangeable for Equity Interests that so mature or are mandatorily redeemable), or (iii) Indebtedness, which shall not require any mandatory payments of principal prior to February 1, 2019 (other than as a result of AHYDO payments and customary change of control or asset sale provisions); provided that, such Indebtedness (x) may be secured by a Lien on the assets of the Loan Parties that is junior in priority to the Liens securing funded Indebtedness of the Loan Parties on November 12, 2013, (y) will not require the payment of cash interest in excess of $5,000,000 per annum (which shall be calculated inclusive of any up-front fees or OID based on a 4-year average life to maturity) and (z) shall be on terms (taken as a whole) which are not substantially more disadvantageous to the Borrower (as determined in good faith by the Borrower) or do not materially impair the Borrower's ability to pay the Obligations under the Loan Documents as and when due (as reasonably determined in good faith by the Borrower); or

(p) The Credit Agreement is hereby amended to add a new clause (u) of Article VII immediately after clause (t) of Article VII and immediately prior to the words "then, and in every" as follows:

(u) the Borrower fails to maintain Available Cash equal to or greater than: (i) $100,000,000 at all times during the period from November 12, 2013 through December 31, 2013; (ii) $50,000,000 at all times during the period from January 1, 2014 through January 31, 2014; and (iii) $100,000,000 at all times from February 1, 2014 and thereafter; provided that, if the Borrower and its Subsidiaries achieves Pro Forma EBITDA of at least $375,000,000 on or prior to February 1, 2014, then on the achievement of such Pro Forma Consolidated EBITDA this clause (u) shall automatically be of no further force or effect;

2. Amendments to Subsidiary Guarantee Agreement. Effective as of the date of satisfaction or waiver of the conditions precedent set forth in Section 4 below, the Subsidiary Guarantee Agreement is hereby amended as follows:

(a) Section 3 of the Guaranty is amended to add the parenthetical "(provided, however, that the definition of "Guaranteed Obligations" shall not create any guarantee by any Subsidiary Guarantor of (or grant of security interest by any Subsidiary Guarantor to support, as applicable) any Excluded Swap Obligations of such Subsidiary Guarantor for purposes of determining any obligations of any Subsidiary Guarantor)" immediately following the phrase "collectively, subject to the provisions of Section 9 hereof, being referred to collectively as the "Guaranteed Obligations"" appearing therein.

(b) The Subsidiary Guarantee Agreement is amended to add the following as a new Section 22 thereto:

SECTION 22. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Guarantee in respect of Specified Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 22 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 22 or otherwise under this Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section 22 shall remain in full force and effect until a discharge of such Qualified ECP Guarantor's Guaranteed Obligations in accordance with the terms hereof and the other Loan Documents. Each Qualified ECP Guarantor intends that this Section 22 constitute, and this Section 22 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act. As used herein, "Qualified ECP Guarantor" means, in respect of any Specified Swap Obligation, each Loan Party that has total assets exceeding $10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes or would become effective with respect to such Specified Swap Obligation or such other Person as constitutes an ECP and can cause another Person to qualify as an ECP at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

3. Waiver and Consent. The Required Lenders hereby waive the requirement to cash collateralize the Letters of Credit with the Net Cash Proceeds received from an Asset Sale Prepayment Event in an amount equal to $12,500,000 of such Net Cash Proceeds received prior to the date hereof (the "Pledged Amount") and hereby consent to, direct, request and authorize the Administrative Agent to release the Pledged Amount to the Borrower immediately following the effectiveness of this Amendment. For the avoidance of doubt, the waiver and consent and authorization contemplated by this Section 3 is solely with respect to a single, one-time release of $12,500,000 as described above, and shall not in any way amend or otherwise modify Section 2.12(d) or any other provision of the Credit Agreement or the obligations and duties of the Borrower and the other Loan Parties and the rights of the Administrative Agent and the other Secured Parties thereunder.

4. Conditions of Effectiveness. The effectiveness of this Amendment is subject to the satisfaction (or waiver) of the following conditions precedent: (a) the Administrative Agent shall have received (i) counterparts of this Amendment duly executed by the Borrower, the Subsidiary Guarantors, the Required Lenders and the Administrative Agent and (ii) a duly executed amendment in respect of the ABL Credit Agreement (the "ABL Amendment") in form and substance reasonably satisfactory to the Administrative Agent and such amendment shall be in full force and effect substantially contemporaneously with this Amendment; (b) the Borrower shall have paid all fees and expenses of the Administrative Agent, Credit Suisse Securities (USA) LLC, in its capacity as sole lead arranger for the Amendment (the "Arranger"), and their respective Affiliates (including, without limitation, all previously invoiced, reasonable, out-of-pocket expenses of the Administrative Agent and the Arranger (including, to the extent invoiced, reasonable attorneys' fees and expenses), in each case to the extent reimbursable under the terms of, in the case of the Administrative Agent, the Credit Agreement, and in the case of the Arranger, that certain engagement letter dated as of October 24, 2013 between the Borrower and the Arranger) in connection with this Amendment and the other Loan Documents; and (c) the Administrative Agent shall have received for the account of each Lender which delivers its executed signature page hereto by 12:00 p.m. noon (New York City time) on November 12, 2013 (or such later time as the Administrative Agent and the Borrower shall agree), an amendment fee equal to 1.00% of such Lender's unused US Tranche Revolving Commitment, US Tranche LC Exposure and the amount of such Lender's outstanding Term Loans.

5. Condition Subsequent to Effectiveness. To the extent not already paid prior to the effectiveness of the Amendment pursuant to Section 4(c) above, the Borrower agrees to pay to the Administrative Agent for the account of each Lender which delivers an executed signature page to this Amendment after the Amendment effective date but prior to 5:00 p.m. (New York City time) on November 15, 2013 an amendment fee payable on November 18, 2013 equal to 1.00 % of such Lender's unused US Tranche Revolving Commitment, US Tranche LC Exposure and the amount of such Lender's outstanding Term Loans.

6. Representations and Warranties of the Loan Parties. Each Loan Party hereby represents and warrants as follows as of the effective date of this Amendment:

(a) This Amendment and each of the Credit Agreement and the Subsidiary Guarantee Agreement (each as amended hereby), as applicable, constitute legal, valid and binding obligations of such Loan Party and are enforceable against such Loan Party in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) As of the date hereof after giving effect to the terms of this Amendment, (i) no Default shall have occurred and be continuing and (ii) the representations and warranties of the Borrower set forth in the Credit Agreement, as amended hereby, are true and correct in all material respects on and as of the date hereof, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

7. Reference to and Effect on the Credit Agreement and the Subsidiary Guarantee Agreement.

(a) Upon the effectiveness hereof, each reference to the Credit Agreement and the Subsidiary Guarantee Agreement in the Credit Agreement, the Subsidiary Guarantee Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement and the Subsidiary Guarantee Agreement, as the case may be, as amended hereby. This Amendment constitutes a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

(b) Except as specifically amended above, the Credit Agreement, the Subsidiary Guarantee Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The Required Lenders and the Administrative Agent hereby consent to the ABL Amendment and such amendment shall be considered a "Permitted Receivables/ABL Facility Document" for all purposes of the Credit Agreement and the other Loan Documents.

(d) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Subsidiary Guarantee Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

8. Release. In further consideration of the execution by the Administrative Agent and the Lenders of this Amendment and the services of the Arranger in connection therewith, to the extent permitted by applicable law, the Borrower, on behalf of itself and each of its Subsidiaries, and all of the successors and assigns of each of the foregoing (collectively, the "Releasors"), hereby completely, voluntarily, knowingly, and unconditionally releases and forever discharges the Collateral Agent, the Administrative Agent, each of the Lenders, the Arranger and, in the case of each of the foregoing, each of its members, each of their advisors, professionals and employees, each affiliate of the foregoing and all of their respective permitted successors and assigns (collectively, the "Releasees"), from any and all claims, actions, suits, and other liabilities, including, without limitation, any so-called "lender liability" claims or defenses (collectively, "Claims"), whether arising in law or in equity, which any of the Releasors ever had, now has or hereinafter can, shall or may have against any of the Releasees for, upon or by reason of any matter, cause or thing whatsoever from time to time occurred on or prior to the date hereof, in any way concerning, relating to, or arising from (i) any of the Transactions, (ii) the Secured Obligations, (iii) the Collateral, (iv) the Credit Agreement or any of the other Loan Documents, (v) the financial condition, business operations, business plans, prospects or creditworthiness of the Borrower or the other Loan Parties, and (vi) the negotiation, documentation and execution of this Amendment and any documents relating hereto except for Claims determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Releasee (or any of its Related Parties). The

Releasors hereby acknowledge that they have been advised by legal counsel of the meaning and consequences of this release.

9. Consent and Reaffirmation. Without in any way establishing a course of dealing by the Administrative Agent or any Lender, each of the undersigned Loan Parties consents to the Amendment and reaffirms the terms and conditions of the Credit Agreement, the Subsidiary Guarantee Agreement, the Security Agreement and any other Loan Document executed by it and acknowledges and agrees that the Credit Agreement, the Subsidiary Guarantee Agreement, the Security Agreement and each and every such Loan Document executed by such undersigned Loan Party in connection with the Credit Agreement remains in full force and effect and is hereby reaffirmed, ratified and confirmed.

10. Governing Law. This Amendment shall be construed in accordance with and governed by the law of the State of New York.

11. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

12. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Signatures delivered by facsimile or PDF shall have the same force and effect as manual signatures delivered in person.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

YRC WORLDWIDE INC., as the Borrower

By:___/s/ Jamie Pierson_____________________________
Name: Jamie Pierson
Title: Executive Vice President and Chief Financial Officer

EXPRESS LANE SERVICE, INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

NEW PENN MOTOR EXPRESS, INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

ROADWAY EXPRESS INTERNATIONAL, INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

ROADWAY LLC

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

ROADWAY NEXT DAY CORPORATION

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

ROADWAY REVERSE LOGISTICS, INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

USF BESTWAY INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

USF DUGAN INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

USF GLEN MOORE INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

USF HOLLAND INC.

By:__/s/ Mark Boehmer_______________
Name: Mark Boehmer
Title: Vice President

USF REDSTAR LLC

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

USF REDDAWAY INC.

By:__/s/ Mark Boehmer_______________
Name: Mark Boehmer
Title: Vice President

YRC ASSOCIATION SOLUTIONS, INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

YRC INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

YRC INTERNATIONAL INVESTMENTS, INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

YRC LOGISTICS SERVICES, INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

YRC MORTGAGES, LLC

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

YRC ENTERPRISE SERVICES, INC.

By:__/s/ Phil J. Gaines________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

YRC REGIONAL TRANSPORTATION, INC.

By:__/s/ Stephanie D. Fisher___________
Name: Stephanie D. Fisher
Title: Vice President, Finance

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as Administrative Agent and as a Lender

By:___________________________________
Name:
Title:

AMENDMENT NO. 4 TO CREDIT AGREEMENT
AND AMENDMENT NO. 2 TO RECEIVABLES SALE AGREEMENT

THIS OMNIBUS AMENDMENT ("Amendment") is entered into as of November 12, 2013 by and among:

(a) YRCW Receivables LLC (the "Borrower" or "YRCW"),

(b) YRC Worldwide Inc. (the "Servicer"),

(c) the financial institutions listed on the signature pages hereof,

(d) JPMorgan Chase Bank, N.A., as Administrative Agent (the "Administrative Agent") and

(e) YRC Inc., USF Reddaway Inc. and USF Holland Inc. (each an "Originator" and collectively, the "Originators"),

with respect to (i) that certain Credit Agreement dated as of July 22, 2011 by and among the Borrower, the Servicer, the lenders party thereto and the Administrative Agent (as amended, amended and restated, restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement") and (ii) that certain Receivables Sale Agreement dated as of July 22, 2011 among the Originators, the Servicer and YRCW, as buyer (as amended, amended and restated, restated, supplemented or otherwise modified prior to the date hereof, the "Sale Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement or, if not defined therein, in the Sale Agreement.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Credit Agreement. Upon the occurrence of the Amendment Effective Date (as defined in Section 3 below), the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended to insert the following new definitions therein in the appropriate alphabetical order and, where applicable, replace the corresponding previously existing definitions, in each case as follows:

"**Anti-Corruption Laws**" means, with respect to any Person, all laws, rules, and regulations of any jurisdiction applicable to such Person or its subsidiaries from time to time concerning or relating to bribery or corruption.

"Applicable Rate" means, for any day, (a) with respect to Term A Loans, (i) 7.50% per annum in the case of any Eurodollar Loan and 6.50% per annum in the case of any ABR Loan, (b) with respect to Term B Loans, (i) 10.25% per annum in the case of any Eurodollar Loan and 9.25% per annum in the case of any ABR Loan or (c) with respect to the commitment fees payable hereunder, 7.50% per annum.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"**Sanctions**" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"**Sanctioned Country**" means, at any time, a country or territory which is the subject or target of any Sanctions.

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

(b) The first paragraph of the definition of "Consolidated EBITDA" appearing in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"**Consolidated EBITDA**" shall mean Consolidated Net Income *plus*, to the extent deducted from revenues in determining Consolidated Net Income, without duplication, (a) Consolidated Interest Expense, (b) expense for taxes paid or accrued, (c) depreciation (including that applied to the Company's equity method investments), (d) amortization (including that applied to the Company's equity method investments), (e) extraordinary, non-cash charges, expenses or losses incurred other than in the ordinary course of business, (f) non-recurring (including non-recurring and unusual) non-cash charges, expenses or losses (including non-cash impairment charges) incurred other than in the ordinary course of business, (g) non-cash expenses related to stock based compensation or stock appreciation rights, (h) the actual aggregate amount of transaction and restructuring professional fees paid by the Company and its subsidiaries in and during such four fiscal quarters, (i) to the extent applicable charges, expenses and losses incurred in respect of the transaction consummated pursuant to the Project Delta Purchase Agreement (as defined in the YRCW Amended Term Loan as in effect on the Effective Date), (j) deferred financing, legal and accounting costs with respect to the Company's indebtedness that are charged to non-interest expense on the Company's income statement in accordance with GAAP, (k) fees, costs and expenses required to be paid in connection with that certain Amendment No. 4 to this Agreement dated as of November 12, 2013 and contemporaneous amendment to the definitive documentation evidencing the YRCW Amended Term Loan, including without limitation any fees, costs and expenses required to be paid as result thereof under the terms of the Contribution Deferral Agreement, and (l) one time cash restructuring charges incurred on or after November 12, 2013 in an aggregate amount not to exceed $40,000,000, minus, to the extent included in Consolidated Net Income, (m) interest income, (n) income tax credits and refunds (to the extent not netted from tax expense), (o) any cash payments made during such period in respect of items described in clauses (e), (f) or (g) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were incurred, (p) any income or gains resulting from the early retirement, redemption, defeasance, repayment or similar actions in respect of Indebtedness, and (q) extraordinary, unusual or non-recurring income or gains realized other than in the ordinary course of business, all calculated for the Company and its subsidiaries in accordance with GAAP on a consolidated basis.

(c) The definition of "Excluded Taxes" appearing in Section 1.01 of the Credit Agreement is hereby amended to restate clause (d) thereof in its entirety as follows:

(d) any U.S. Federal withholding Taxes imposed under FATCA.

(d) Section 2.12(a) of the Credit Agreement is hereby amended to insert a reference to “liquidity,” immediately before the reference to “special deposit” appearing in clause (i) thereof.

(e) Section 2.12(b) of the Credit Agreement is hereby amended to (i) insert the words “or liquidity” immediately after the first reference to “capital” appearing therein and (ii) insert the words “and liquidity” immediately after the reference to “capital adequacy” appearing therein.

(f) Section 3.01 of the Credit Agreement is hereby amended to insert a new clause (x) immediately following clause (w) thereof as follows:

(x) *Anti-Corruption Laws and Sanctions*. The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance in all material respects by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and to the knowledge of the Borrower its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Subsidiary or to the knowledge of the Borrower or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or use of proceeds will violate Anti-Corruption Laws or applicable Sanctions in any material respect.

(g) Section 5.04 of the Credit Agreement is hereby amended to insert a new sentence at the end thereof as follows: The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(h) The Credit Agreement is hereby amended to insert a new Section 6.13 immediately following Section 6.12 of the Credit Agreement as follows:

Section 6.13. *Anti-Corruption Laws and Sanctions*. The Borrower will not request any Borrowing, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (iii) in any manner that would result in the violation in any material respect of any Sanctions applicable to any party hereto.

(i) Section 7(r) of the Credit Agreement is hereby restated in its entirety to read as follows:

(r) Consolidated EBITDA of the Company and its subsidiaries for any four consecutive fiscal quarter period ending on the date set forth below is less than the amount set forth opposite such period:

Four Consecutive Fiscal Quarter Period Ending	Minimum Consolidated EBITDA
December 31, 2013	$245,000,000
March 31, 2014	$220,000,000
June 30, 2014	$225,000,000
September 30, 2014	$245,000,000
December 31, 2014	$260,000,000

2. Amendments to Sale Agreement. As of the Amendment Effective Date (as defined in Section 3 below), the Sale Agreement is hereby amended as follows:

(a) Section 2.01 of the Sale Agreement is hereby amended to insert a new clause (o) immediately following clause (n) thereof as follows:

(o) *Anti-Corruption Laws and Sanctions*. Such Person has implemented and maintains in effect policies and procedures designed to ensure compliance in all material respects by such Person, its subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and such Person, its subsidiaries and to the knowledge of such Person its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) such Person, any subsidiary of such Person or to the knowledge of such Person or such subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of such Person, any agent of such Person or any subsidiary of such Person that will act in any capacity in connection with or benefit from this Agreement or the Credit Agreement, is a Sanctioned Person. No transactions made pursuant to or in connection with this Agreement will violate Anti-Corruption Laws or applicable Sanctions in any material respect.

(b) Section 4.01(a)(i) of the Sale Agreement is hereby amended to delete the reference to "(other than in respect of the auditors' report delivered in 2012 in respect of the fiscal year ended December 31, 2011, without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit)" appearing therein and to replace therefor a reference to "(other than in respect of the auditors' report delivered in each of 2012 and 2014 in respect of the fiscal years ended December 31, 2011 and December 31, 2013, respectively, without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit)".

(c) Section 4.01(c) of the Sale Agreement is hereby amended to insert a new sentence at the end thereof as follows:

Such Person will maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by such Person, its subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(d) Section 4.02 of the Sale Agreement is hereby amended to insert a new clause (i) immediately following clause (h) thereof as follows:

(i) *Anti-Corruption Laws and Sanctions*. Such Person will neither sell nor purchase Receivables, and such Person shall not use the proceeds of any such sale or purchase, and shall procure that its subsidiaries and its or their respective directors, officers, employees and agents shall not sell nor purchase Receivables nor use the proceeds of any such sale or purchase (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country or (iii) in any manner that would result in the violation in any material respect of any Sanctions applicable to any party hereto.

3. Conditions of Effectiveness. This Amendment shall become effective on the date (the "Amendment Effective Date") that each of the following conditions precedent have been satisfied or waived:

(a) The Administrative Agent shall have received (i) counterparts of this Amendment duly executed by the Borrower and the Required Lenders and (ii) a duly executed amendment in respect of the YRCW Amended Term Loan and such amendment shall be in full force and effect substantially contemporaneously with this Amendment.

(b) The Administrative Agent shall have received payment from the Borrower, for the account of each Lender that has executed and delivered a counterpart signature page to this Amendment at or prior to 12:00 p.m. noon (New York City time) on November 12, 2013 (or such later time as the Administrative Agent and the Borrower shall agree), a consent fee (the "Amendment Consent Fee") in an amount equal to (i) 1.00 % of the aggregate outstanding principal amount of Term B Loans and (ii) 1.00% of the sum of (x) the aggregate outstanding principal amount of Term A Loans and (y) the unused Term A Commitment, in each case, of such Lender as of the date hereof. The Amendment Consent Fee shall be payable in immediately available funds and, once paid, such fee or any part thereof shall not be refundable.

(c) The Borrower shall have paid all fees and expenses of the Administrative Agent, Credit Suisse Securities (USA) LLC, in its capacity as sole lead arranger for the Amendment (the "Arranger"), and their respective Affiliates (including, without limitation, all previously invoiced, reasonable, out-of-pocket expenses of the Administrative Agent and the Arranger (including, to the extent invoiced, reasonable attorneys' fees and expenses), in each case to the extent reimbursable under the terms of, in the case of the Administrative Agent, the Credit Agreement, and in the case of the Arranger, that certain engagement letter dated as of October 24, 2013 between the Borrower and the Arranger) in connection with this Amendment and the other Transaction Documents.

4. Condition Subsequent to Effectiveness. To the extent not already paid prior to the Amendment Effective Date pursuant to Section 3(b) above, the Borrower agrees to pay to the Administrative Agent for the account of each Lender which delivers an executed signature page to this Amendment after the Amendment Effective Date but prior to 5:00 p.m. (New York City time) on November 15, 2013 the same Amendment Consent Fee payable on November 18, 2013 as the consenting Lender would otherwise be entitled to pursuant to Section 3(b) above.

5. Representations and Warranties of the Borrower. In order to induce the other parties to enter into this Amendment:

(a) The Borrower hereby represents and warrants to the Administrative Agent and the Lenders as follows as of the Amendment Effective Date:

(i) This Amendment and the Credit Agreement, as amended hereby, constitute legal, valid and binding obligations of the Borrower and are enforceable against the Borrower in accordance with their terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and subject to general principles of equity.

(ii) After giving effect to the terms of this Amendment, (i) no Termination Event or Incipient Termination Event has occurred and is continuing and (ii) the representations and warranties of the Borrower or any other Transaction Party set forth in the Credit Agreement, as amended hereby, or any other Transaction Document are true and correct in all material respects on and as of the date hereof, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

(b) The Servicer and each Originator hereby represents and warrants to YRCW as follows as of the Amendment Effective Date:

i. This Amendment and the Sale Agreement, as amended hereby, constitute legal, valid and binding obligations of such party and are enforceable against such party in accordance with their terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and subject to general principles of equity.

ii. After giving effect to the terms of this Amendment, (i) no Servicer Event of Default or Potential Servicer Event of Default has occurred and is continuing and (ii) the representations and warranties of such party set forth in the Sale Agreement, as amended hereby, are true and correct in all material respects on and as of the date hereof, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects on and as of such earlier date.

6. Reference to and Effect on the Credit Agreement and Sale Agreement.

(a) Upon the effectiveness hereof, (i) each reference to the Credit Agreement in the Credit Agreement or any other Transaction Document shall mean and be a reference to the Credit Agreement, as amended hereby and (ii) each reference to the Sale Agreement in the Sale Agreement or any other Transaction Document shall mean and be a reference to the Sale Agreement as amended hereby. This

Amendment constitutes a "Transaction Document" for all purposes of the Credit Agreement and the other Transaction Documents.

(b) Except as specifically amended above, the Credit Agreement, the Sale Agreement and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Sale Agreement or any other documents, instruments and agreements executed and/or delivered in connection therewith.

7. Release. In further consideration of the execution by the Lenders of this Amendment and the services of the Arranger in connection therewith, to the extent permitted by applicable law, the Borrower, on behalf of itself and each of the other Transaction Parties, and all of the successors and assigns of each of the foregoing (collectively, the "Releasors"), hereby completely, voluntarily, knowingly, and unconditionally releases and forever discharges the Administrative Agent, each of the Lenders, the Arranger and, in the case of each of the foregoing, each of its members, each of their advisors, professionals and employees, each affiliate of the foregoing and all of their respective permitted successors and assigns (collectively, the "Releasees"), from any and all claims, actions, suits, and other liabilities, including, without limitation, any so-called "lender liability" claims or defenses (collectively, "Claims"), whether arising in law or in equity, which any of the Releasors ever had, now has or hereinafter can, shall or may have against any of the Releasees for, upon or by reason of any matter, cause or thing whatsoever from time to time occurred on or prior to the date hereof, in any way concerning, relating to, or arising from (i) any of the Transactions, (ii) the Obligations, (iii) the Collateral, (iv) the Credit Agreement or any of the other Transaction Documents, (v) the financial condition, business operations, business plans, prospects or creditworthiness of the Borrower or the other Transaction Parties, and (vi) the negotiation, documentation and execution of this Amendment and any documents relating hereto except for Claims determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Releasee (or any of its Related Parties). The Releasors hereby acknowledge that they have been advised by legal counsel of the meaning and consequences of this release.

8. Governing Law. This Amendment shall be construed in accordance with and governed by the law of the State of New York, but after giving effect to federal laws applicable to national banks.

9. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

10. Counterparts. This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Signatures delivered by facsimile or PDF shall have the same force and effect as manual signatures delivered in person.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

YRCW RECEIVABLES LLC, as the Borrower

By:__/s/ Mark Boehmer________________
Name: Mark Boehmer
Title: Vice President

YRC WORLDWIDE INC., as the Servicer

By:___/s/ Jamie Pierson_____________________________
Name: Jamie Pierson
Title: Executive Vice President and Chief Financial Officer

YRC INC., as an Originator

By:__/s/ Phil J. Gaines_________________
Name: Phil J. Gaines
Title: Senior Vice President, Finance

USF REDDAWAY INC., as an Originator

By:__/s/ Mark Boehmer________________
Name: Mark Boehmer
Title: Vice President

USF HOLLAND INC., as an Originator

By:__/s/ Mark Boehmer________________
Name: Mark Boehmer
Title: Vice President

JPMORGAN CHASE BANK, N.A., as Administrative Agent

By:___________________________________
Name:
Title:

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13A-14 AND 15D-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James L. Welch, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of YRC Worldwide Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2013

/s/ James L. Welch

James L. Welch
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13A-14 AND 15D-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jamie G. Pierson, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of YRC Worldwide Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2013

/s/ Jamie G. Pierson

Jamie G. Pierson
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of YRC Worldwide Inc. on Form 10-Q for the period ended September 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James L. Welch, Chief Executive Officer of YRC Worldwide Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of YRC Worldwide Inc.

Date: November 12, 2013	/s/ James L. Welch
	James L. Welch
	Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of YRC Worldwide Inc. on Form 10-Q for the period ended September 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jamie G. Pierson, Chief Financial Officer of YRC Worldwide Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of YRC Worldwide Inc.

Date: November 12, 2013

/s/ Jamie G. Pierson

Jamie G. Pierson
Executive Vice President and Chief Financial Officer